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TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 958—IRISH POTATOES GROWN IN COLORADO

APPROVAL OF BUDGET OF EXPENSES AND FIXING RATE OF ASSESSMENT

Notice of proposed rule making regarding rules and regulations relative to a proposed budget and rate of assessment, to be made effective under Marketing Agreement No. 97 and Order No. 58 (7 CFR 958.1 et seq.), regulating the handling of Irish potatoes grown in the State of Colorado was published in the FEDERAL REGISTER (15 F. R. 5477). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051). After consideration of all relevant matters presented, including the rules and regulations set forth in the aforesaid notice, which rules and regulations were adopted and submitted for approval by the area committee for Area No. 2 (established pursuant to said agreement and order), the following rules and regulations are hereby approved.

§ 958.205 *Budget of expenses and rate of assessment, Area No. 2.* (a) The expenses necessary to be incurred by the area committee for Area No. 2, established pursuant to Marketing Agreement No. 97 and Order No. 58, to enable such committee to perform its functions pursuant to the provisions of the aforesaid marketing agreement and order and regulations duly issued thereunder, during the fiscal period ending May 31, 1951, will amount to $5,880.00.

(b) The rate of assessment, to be paid by each handler who first ships potatoes from Area No. 2, shall be one-sixth of one cent per hundredweight of potatoes shipped by him therefrom as the first shipper thereof during such fiscal period: *Provided*, That no assessment shall be paid for a shipment or shipments of potatoes for consumption by a charitable institution or institutions or for distribution for relief purposes or for distribution by a relief agency or agencies.

(c) Terms used in this section shall have the same meaning as when used in Marketing Agreement No. 97 and Order No. 58.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 14th day of September 1950, to become effective 30 days after publication hereof in the FEDERAL REGISTER.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

[F. R. Doc. 50-8191; Filed, Sept. 18, 1950; 8:56 a. m.]

PART 960—IRISH POTATOES GROWN IN THE STATES OF MICHIGAN, WISCONSIN, MINNESOTA AND NORTH DAKOTA

APPROVAL OF BUDGET OF EXPENSES AND RATE OF ASSESSMENT

Notice of proposed rule making regarding rules and regulations relative to a proposed budget and rate of assessment, to be made effective under Marketing Order No. 60 (7 CFR 960), regulating the handling of Irish potatoes grown in the States of Michigan, Wisconsin, Minnesota, and North Dakota, was published in the FEDERAL REGISTER (15 F. R. 5434). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051). After consideration of all relevant matters presented, including the rules and regulations set forth in the aforesaid notice, which rules and regulations were adopted and submitted for approval by the North Central Potato Committee (established pursuant to said marketing order), the following rules and regulations are hereby approved.

§ 960.204 *Budget of expenses and rate of assessment*—(a) *Findings.* It is hereby found that good cause exists for making the following rules and regulations effective upon publication in the FEDERAL REGISTER because: (1) Shipments of the 1950 crop of Irish potatoes grown in the production area have begun; (2) § 960.12 provides that each per-

(Continued on p. 6241)

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FEDERAL REGISTER

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son who first ships such potatoes shall pay assessments in connection therewith, regardless of the date during the fiscal year on which the assessment rate is fixed; and (3) more orderly administration, tending to effectuate the declared policy of the act, will be attained if the effective date of the assessment rate so fixed is as close as possible to the date of such shipments, so that handlers will be able to ascertain and pay their obligation promptly. The information upon which the budget and rate of assessment is based did not become available in sufficient time to permit both notice of proposed rule making and a 30-day delay in the effective date thereof after publication in the FEDERAL REGISTER.

(b) *Order.* The expenses necessary to be incurred by the North Central Potato Committee, established pursuant to Marketing Order No. 60, to enable such committee to carry out its functions pursuant to provisions of the aforesaid marketing order, during the fiscal year ending June 30, 1951, will amount to $62,441.00;

The rate of assessment to be paid by each handler who first ships potatoes during the current fiscal year shall be $1.00 per railroad car or per truckload of more than 20,000 pounds of such potatoes, and fifty cents per truckload of 20,000 pounds or less of such potatoes, and one-quarter cent per hundredweight for other units, whether by floor lot, bin, or warehouse: *Provided*, That a minimum assessment of fifty cents shall be paid by each handler who first ships each truckload or other unit of potatoes during the current fiscal year: *Provided*, That no assessment shall be paid for a shipment or shipments of potatoes for consumption by a charitable institution, or for distribution for relief purposes, or for distribution by a relief agency or agencies; and

Terms used in this section shall have the same meaning as when used in Marketing Order No. 60.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 14th day of September 1950, to become effective upon publication hereof in the FEDERAL REGISTER.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 50-8190; Filed, Sept. 18, 1950; 8:56 a. m.]

PART 979—IRISH POTATOES GROWN IN EASTERN SOUTH DAKOTA PRODUCTION AREA

APPROVAL OF BUDGET OF EXPENSES AND FIXING RATE OF ASSESSMENT

Notice of proposed rule making regarding rules and regulations relative to a proposed budget and rate of assessment, to be made effective under Marketing Agreement No. 103 and Order No. 79 (7 CFR 979.1 et seq.), regulating the handling of Irish potatoes grown in the Eastern South Dakota production area was published in the FEDERAL REGISTER (15 F. R. 5319). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051). After consideration of all relevant matters presented, including the rules and regulations set forth in the aforesaid notice, which rules and regulations were adopted and submitted for approval by the South Dakota Potato Committee (established pursuant to said agreement and order), the following rules and regulations are hereby approved.

§ 979.203 *Budget of expenses and rate of assessment.* (a) The expenses necessary to be incurred by the South Dakota Potato Committee, established pursuant to Marketing Agreement No. 103 and Order No. 79, to enable such committee to carry out its functions pursuant to the provisions of the aforesaid marketing agreement and order, during the fiscal year ending June 30, 1951, will amount to $2,500.00;

(b) The rate of assessment to be paid by each handler who first ships potatoes shall be one-half cent per hundredweight of potatoes handled by him as the first handler thereof during said fiscal year; and

(c) Terms used in this section shall have the same meaning as when used in Marketing Agreement No. 103 and Order No. 79.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 14th day of September 1950, to become effective 30 days after publication thereof in the FEDERAL REGISTER.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 50-8189; Filed, Sept. 18, 1950; 8:56 a. m.]

TITLE 10—ATOMIC ENERGY

Chapter I—United States Atomic Energy Commission

PART 4—SECURITY CLEARANCE PROCEDURES

GENERAL PROVISIONS

AUTHORITY: §§ 4.1 to 4.20 issued under 60 Stat. 755; 46 U. S. C. 1801 et seq.

GENERAL PROVISIONS

§ 4.1 *Purpose.* This part establishes procedures and methods for the conduct of local board hearings and administrative review of questions or recommendations concerning eligibility of an individual for security clearance pursuant to the Atomic Energy Act of 1946.

§ 4.2 *Scope.* The procedures outlined in this part will be used in those cases in which there are questions as to eligibility for security clearance as a re-

sult of application of the standards set forth in "AEC Personnel Security Clearance Criteria for Determining Eligibility" (14 F. R. 42) and which involve:

(a) Employees and applicants for employment with or as consultants to the Atomic Energy Commission.

(b) Applicants, employees, and consultants of contractors, agents and licensees of Atomic Energy Commission, subject to the security control of the Atomic Energy Commission, or

(c) Those other persons designated by the General Manager of the Atomic Energy Commission.

§ 4.3 *References.* The pertinent sections of the Atomic Energy Act of 1946 are as follows:

SEC. 10. (a) *Policy.* It shall be the policy of the Commission to control the dissemination of restricted data in such a manner as to assure the common defense and security.

SEC. 10. (b) (5) (B) (i). No arrangement shall be made under section 3, no contract shall be made or continued in effect under section 4, and no license shall be issued under section 4 (c) or 7, unless the person with whom such arrangement is made, the contractor or prospective contractor, or the prospective licensee agrees in writing not to permit any individual to have access to restricted data until the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations and loyalty of such individual and the Commission shall have determined that permitting such person to have access to restricted data will not endanger the common defense or security.

(ii) Except as authorized by the Commission in case of emergency no individual shall be employed by the Commission until the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual.

(iii) Notwithstanding the provisions of subparagraphs (i) and (ii), during such period of time after the enactment of this act as may be necessary to make the investigation, report, and determination required by such paragraphs.

(a) Any individual who was permitted access to restricted data by the Manhattan Engineer District may be permitted access to restricted data, and

(b) The Commission may employ any individual who was employed by the Manhattan Engineer District.

§ 4.4 *Policy.* Consistent with the security requirements, it is the policy of the Atomic Energy Commission to afford to those individuals listed in § 4.2 maximum opportunity for administrative review of any determination to deny or revoke security clearance.

PROCEDURES

§ 4.10 *Determination of employment status.* In those cases where information is received which raises questions concerning the eligibility of an employee for security clearance, the Manager of the office concerned (or in the case of an employee at Washington, D. C., the Deputy General Manager) will, prior to making any recommendation as to the employee's eligibility for security clearance, consult with appropriate AEC staff members and, in the case of a contractor's employee (or consultant), representatives of the employing contractor, and decide, without undue delay, the employment status of the individual to be effective pending the final security clearance determination resulting from the operation of the procedures provided in this part.

§ 4.11 *Notice to individual.* The Manager, or his designated representative, will present personally to the individual a notification letter which shall state:

(a) That information obtained as a result of the investigation has created a question concerning the individual's eligibility for security clearance.

(b) The information, stated in as much detail and as specifically as considerations of security permit, upon which doubt arises regarding the individual's eligibility for security clearance.

(c) That a hearing will be scheduled before a Personnel Security Board for the purpose of eliciting information to assist in determining the eligibility of the individual for security clearance.

(d) That within ten days of the date of receipt of the notification letter the individual shall file with the Manager from whom he received such letter his written answer to the matters contained therein and indicate his intention to be present at the hearing.

(e) That the individual will be notified in writing of the membership of a Personnel Security Board when it is appointed by the Manager.

(f) That the individual will have the right to appear personally before a Personnel Security Board, be present during the entire hearing, be represented by counsel of his own choosing, and present evidence in his own behalf, through witnesses, or by documents, or both.

(g) That the individual's failure to file written answer and indicate his intention to be present at the hearing, shall be considered as a relinquishment by him of the opportunity of availing himself of the privileges accorded to him under the hearing and review procedure provided in this Part and that in such event a recommendation of the final action to be taken will be made by the Manager of Operations and submitted to the General Manager on the basis of the existing records without reference to a Personnel Security Board.

(h) His employment status until further notice.

(i) The name of the designated AEC official to contact for any further information desired.

§ 4.12 *Additional information.* An informational copy of the procedure for hearings and review shall be given to the individual with the notification letter.

§ 4.13 *Failure of individual to file answers.* In the event the individual fails to file written answer to the notification letter within the prescribed time, a recommendation as to the final action to be taken will be made to the General Manager on the basis of the existing record. The Manager may for good cause, at the request of the individual, extend the time for filing written answers to the matters contained in the notification letter.

§ 4.14 *Appointment of Boards.* (a) Upon the receipt from the individual of his written answer to the notification letter, signifying his desire to appear before a Personnel Security Board, the Manager shall forthwith appoint a Board consisting of three members, one to be designated as the Chairman.

(b) The personnel of the Boards, when practicable as determined by the Manager, shall consist of at least one member who is familiar with the general field of work of the individual.

(c) The personnel shall be selected from a panel composed of Atomic Energy Commission employees, employees of contractors of the Atomic Energy Commission, or of such other persons as the Manager determines possess the necessary qualifications for sitting as members of a Personnel Security Board. All persons sitting as members of Personnel Security Boards shall have a full "Q" clearance.

(d) No person shall sit in a case as a member of a Personnel Security Board who has prejudged the matter, or who possesses information that would make it embarrassing to render an impartial recommendation, or who for bias or prejudice generated for any reason would be unable to render a fair and impartial recommendation.

(e) Immediately upon the appointment of a Personnel Security Board, the Manager will notify the individual of the names of the members of the Board and of his right to challenge any member for cause, such challenge or challenges to be submitted to the Manager within seventy-two hours of the receipt of the notice.

(f) In the event that the individual challenges a member or members of the Board, the justification of the action of the individual shall be determined by the Manager. Where the challenge of the individual is sustained, the Manager should forthwith appoint such new members to the Board as will constitute a full Board and notify the individual of his action. The Manager will likewise notify the individual of his rejection of any challenge.

(g) At least forty-eight hours' advance notice from time of receipt will be given the individual by the Chairman of a Personnel Security Board of the date, hour, and place the Board will convene for the purpose of receiving the evidence that the individual chooses to present.

§ 4.15 *Conduct of proceedings.* (a) The proceedings shall be presided over by the Chairman of the Board and shall be conducted in an orderly and decorous manner with every effort made to protect the interests of the Government and of the individual. In no case will undue delay be tolerated nor will the individual be hampered by unduly restricting the time necessary for proper preparation and presentation. In performing their duties, the members of the Board shall avoid the attitude of a prosecutor and shall always bear in mind and make clear to all concerned that the proceeding is an inquiry and not a trial.

(b) The proceedings shall be open only to duly authorized representatives of the staff of the Atomic Energy Commission, the individual, his counsel, and such persons as may be officially authorized by the Board.

(c) During the course of the proceedings the Chairman shall rule in open session on all questions presented to the Board for its determination, subject to the objection of any member of the Board. In the event of an objection by any member of the Board, a majority vote of the Board will be determinative and constitute the ruling of the Chairman. Voting may be either in open or closed session on all questions except recommendations to grant or deny security clearance, which shall be in closed session.

(d) In the event that it appears in the course of the hearing that restricted data may be disclosed, it shall be the duty of the Chairman to assure that disclosure is not made to persons who are not authorized to receive it.

(e) The Board will ask the individual, AEC representatives, and other witnesses any questions calculated to obtain the fullest possible disclosure of relevant and material facts. The proponent of a witness shall conduct the direct examination of that witness.

(f) The Board will not engage in any arguments with either the individual, his witnesses, or his counsel. Nor will the Board permit any person to argue from the witness stand.

(g) The Board will admit in evidence any matters either oral or written which, in the minds of reasonable men, is of probative value to determine the issues involved. The utmost latitude will be given the subject with respect to relevancy, materiality, and competency. Every reasonable effort will be made to obtain the best evidence reasonably available. Hearsay evidence will be admitted without regard to technical rules of admissibility and accorded such weight as the circumstances warrant.

(h) Witnesses will be permitted to testify either under oath, affirmation, or without either, and such weight will be given to this testimony as the circumstances warrant. Attention of the witness shall be invited to 18 U. S. C. 1001 or 18 U. S. C. 1621, as appropriate.

(i) The individual will be afforded the opportunity of testifying in his own behalf. His failure to testify may be considered by the Board in reaching its recommendation.

(j) The Board shall endeavor to obtain all the facts that are reasonably available in order for it to arrive at its recommendations. If, prior to or during the proceeding, in the opinion of the Board the allegations in the notification letter are not sufficient to cover all matters into which inquiry should be directed, the Board shall suggest to the Manager concerned that, in order to give fuller notice to the individual, the notification letter should be amended. If, in the opinion of the Board, the circumstances of such an amendment may involve an undue hardship to the individual, because of limited time to answer the new allegations in the notification letter, an appropriate adjournment shall be granted upon the request of the individual.

(k) The entire proceedings shall be taken down verbatim and transcribed into a written record, a copy of which shall be furnished the individual without cost at his request. In the event restricted data are disclosed in the transcription, such restricted data shall be deleted and notation made to such effect before furnishing the transcript to the individual.

(l) The reports of the Federal Bureau of Investigation shall not be disclosed to the individual or to his representative.

(m) When the presence of a witness is deemed by the Board to be necessary to a proper determination of the issues before it, the Board shall request the Manager to make arrangements if possible, for such witness to appear, be confronted by the individual, and be subject to examination by the individual and by the Board. Upon receipt of such request the Manager shall make every effort through proper administrative channels to comply with the Board's request. Because of the confidential nature of the sources of information or for other reasons, confrontation may not be possible.

(n) The Board may request the Manager to arrange for additional investigation on any points which are material to the deliberations of the Board and which the Board believes need extension or clarification. In this event, the Board will set forth in writing that issue upon which more evidence is requested, identifying where possible persons or sources from which evidence should be sought. The Manager will make every effort through appropriate sources to obtain additional information upon the matters indicated by the Board.

(o) When the nature of the case is complex or the Board desires assistance in conducting the hearing, the Manager should designate such person or persons to aid the Board as may be necessary. The person thus named shall not be a member of the Board, shall not participate in the deliberations of the Board, shall express no opinion to the Board concerning the merits of the case, but shall assist the Board in such manner as to bring out a full and complete disclosure of all facts having any bearing upon the issues before the Board.

§ 4.16 Recommendations of the Board. (a) The Board shall carefully consider all material before it including reports of the Federal Bureau of Investigation, the testimony of all witnesses, the evidence presented by the individual, and the standards set forth in "AEC Personnel Security Clearance Criteria for Determining Eligibility" (14 F. R. 42). In considering the material before the Board, the members of the Board, as practical men of affairs, should be guided by the same consideration that would guide them in making a sound decision in the administration of their own lives. In reaching its determination the Board shall consider the manner in which the witnesses have testified before the Board, their demeanor on the witness stand, the probability or likelihood of their testimony, their credibility, the authenticity of documentary evidence, or the lack of evidence upon some material points in issue.

(b) If, after considering all the factors, they are of the opinion that it will not endanger the common defense and security to grant security clearance to the individual, they should so recommend. If they are unable to find that it will not endanger the common defense and security to grant security clearance, they should recommend that clearance be denied.

(c) The Board shall make specific findings as to the allegations contained in the notification letter whether they are true or false and the significance which they attach to the allegations. These findings shall be supported fully by a statement of reasons made with respect to such findings.

(d) The recommendation shall be determined by a majority vote. In the event of a dissent from the majority, a recommendation from the minority shall be made of record together with a statement of the reasons leading to the conclusion of the minority.

(e) The recommendation of the Board shall be predicated upon its findings, which shall take into consideration whether they establish a pattern of conduct falling within the criteria or a specific category thereof, and shall be submitted to the Manager accompanied by a statement of reasons leading to the Board's conclusions.

§ 4.17 *New evidence.* (a) In the event of the discovery of new evidence, such evidence will be submitted to:

(1) The Board in the event the Board has not transmitted its recommendations to the Manager, or

(2) The Manager in all other cases.

(b) It shall be the duty of those to whom application is properly made for the presentation of the new evidence to ascertain its materiality and relevancy and further, that the individual and his representative are without fault in failing to present the evidence before. In the event it is determined that such new evidence should be received, those making such decisions will also determine in what form it shall be received, whether by deposition, affidavit, or orally.

§ 4.18 *Actions on the recommendations.* (a) The recommendations of the Board and any dissent therefrom will be written out, signed by all of the members of the Board, and, together with the record of the case, shall be transmitted with the least practicable delay to the Manager of Operations concerned.

(b) Upon receipt of the recommendation of the Board and the record of the case, the Manager shall forthwith review the entire record. Before making any determination concerning his recommendation as to the granting or denial of security clearance, the Manager shall obtain all relevant data concerning the effect which denial of security clearance would have upon the atomic energy program. Such data shall not be disclosed to the individual or his representative.

(c) In making the determination concerning his recommendation to grant or deny security clearance the Manager shall be guided by the standards set forth in "AEC Personnel Security Criteria for Determining Eligibility" (14 F. R. 42) and shall set forth in writing his recommendation to the General Manager. Such recommendation along with the entire record will be forwarded to the General Manager.

(1) In the event of a recommendation for a denial of security clearance, the individual shall be immediately notified in writing of that fact by the Manager and shall be furnished a copy of the Manager's findings. This letter will also notify the individual of his right to request a review of his case by the AEC Personnel Security Review Board and of his right to submit a brief in support of his contentions. The brief shall be filed with the Manager not later than 20 days after receipt of such notification by the individual. The request for a review should be submitted to the Manager within five days of the receipt of the notice. The individual will also be notified of any change in the status of his employment.

(d) In the event the individual fails to request a review by the AEC Personnel Security Review Board of an adverse recommendation within the prescribed time, the Manager of Operations shall recommend the closing of the case and arrange for any necessary action in connection with the termination of the individual's employment. In such cases the Manager will advise the Director of Security in Washington by letter of the failure of the individual to file a request for further review.

(e) Where the individual requests a review of the adverse recommendation, the Manager shall send the entire record of the proceedings, with all findings and recommendations, to the General Manager via the Director of the Division of Security, Washington, D. C.

(f) Where the Manager has made a recommendation favorable to the individual and the General Manager proposes to transmit the entire record to the Personnel Security Review Board for its recommendation, the General Manager will immediately cause the individual to be notified of that fact and will further inform the individual that he may submit any briefs considered necessary by the individual to sustain his contention. Such brief to be filed not later than 20 days from the receipt of the notice by the individual. The brief will be forwarded to the General Manager via the Director of Security for transmission to the Personnel Security Review Board.

(g) The General Manager will submit the entire record to the AEC Personnel Security Review Board.

(h) The AEC Personnel Security Review Board shall make its deliberations upon the entire record, supplemented by additional testimony, briefs, or arguments, as determined by the AEC Personnel Security Review Board.

(i) After its deliberations, the AEC Personnel Security Review Board shall make its recommendation and submit such recommendation in writing to the General Manager for his decision.

(j) The General Manager will then make a final determination from the entire record, accompanied by all recommendations, whether security clearance shall be granted or denied.

(k) The individual, the Manager, and Directors of the Divisions concerned will be notified of the decision of the General Manager as soon as practicable.

MISCELLANEOUS

§ 4.20 *Modification of procedure.* This procedure may be modified by the General Manager as experience and circumstances may make desirable.

Dated in Washington, D. C., this 12th day of September 1950.

GORDON DEAN,
Chairman.

[F. R. Doc. 50-8085; Filed, Sept. 18, 1950; 8:51 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 52555]

PART 16—LIQUIDATION OF DUTIES

COUNTERVAILING DUTIES; SPIRITS FROM UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND FROM IRELAND

The Bureau is in receipt of information that, by the Finance Act of 1950, the 3 pence per gallon export bounty on spirits exported from the United Kingdom of Great Britain and Northern Ireland was repealed effective May 1, 1950.

In view of the above-mentioned information, T. D.'s 34466 and 47753, issued pursuant to section IV/E, Tariff Act of 1913, and section 303, Tariff Act of 1930 (19 U. S. C. 1303), respectively, are hereby modified so as not to require the assessment of countervailing duties on imported "plain British spirits" and "spirits in the nature of spirits of wine" exported directly or indirectly from the United Kingdom of Great Britain and Northern Ireland on or after May 1, 1950.

Section 16.24 (a), Customs Regulations of 1943 (19 CFR 16.24 (a)), is hereby amended by deleting the material appearing opposite "Great Britain" and "United Kingdom, Great Britain, Northern Ireland, and Ireland," respectively, and by substituting the following:

Country	Commodity	Treasury decision	Action
Great Britain	Spirits—compounded	34466	Bounties declared—rates.
		34752	Descriptions.
		34982	No bounty on rum.
		35089	Proof gallons.
		35510	Alcoholic perfumery.
		35998	Orange bitters.
		47753	Supplemental rates.
		47826(7)	Quantity for computing duty.
		52555	Bounty on plain spirits terminated.
	Silk and artificial silk articles	42895	Bounties declared—rates.
		43634	Bounties—additional articles.
		44742	New rates.
		47475	Do.
		47502, 47594	Do.
	Sugar	46355	Bounties declared—rates.
		46981	New rates.
		50108, 50127	Do.
Ireland	Spirits—plain and compounded	47753	Bounties declared—rates.
		47826(7)	Quantity for computing duty.

(R. S. 251, secs. 303, 624, 46 Stat. 687, 759; 19 U. S. C. 66, 1303, 1624)

[SEAL] FRANK DOW,
Commissioner of Customs.

Approved: September 7, 1950.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 50-8172; Filed, Sept. 18, 1950; 8:53 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 5807]

PART 19—INCOME TAX UNDER THE INTERNAL REVENUE CODE

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

EXTENSION OF TIME FOR FILING CERTAIN CLAIMS FOR CREDIT OR REFUND

In order to conform Regulations 103 (26 CFR Part 19) and Regulations 111 (26 CFR Part 29) to section 2 of Public Law 271 (81st Congress), approved August 27, 1949, and also to conform Regulations 111 to section 3 of such Public Law, such regulations are amended as follows:

PARAGRAPH 1. There is inserted immediately preceding § 29.22 (b) (9)–1 of Regulations 111 and immediately preceding § 29.22 (b) (10)–1 of Regulations 111 the following:

PUBLIC LAW 271 (81st Cong.), approved August 27, 1949.

* * * * *

SEC. 3. EXTENSION OF TIME IN THE CASE OF DISCHARGE OF INDEBTEDNESS.

Section 22 (b) (9) and section 22 (b) (10) of the Internal Revenue Code are hereby amended by striking out "1949" and inserting in lieu thereof "1950".

PAR. 2. Section 29.22 (b) (9)–1 of Regulations 111, as amended by Treasury Decision 5576, approved September 5, 1947, is further amended by striking from the first paragraph and from the third paragraph "January 1, 1950" and inserting in lieu thereof in each instance "January 1, 1951".

PAR. 3. Section 29.22 (b) (10)–1 of Regulations 111, as amended by Treasury Decision 5576, is further amended by striking from the first sentence and from the last sentence "January 1, 1950" and inserting in lieu thereof in each instance "January 1, 1951".

PAR. 4. There is inserted immediately preceding § 19.322–1 of Regulations 103

and immediately preceding § 29.322–1 of Regulations 111 the following:

PUBLIC LAW 271 (81st Cong.), approved August 27, 1949.

* * * * *

SEC. 2. EXTENSION OF TIME FOR CLAIMING REFUND WITH RESPECT TO WAR LOSSES.

The joint resolution of June 29, 1948 (Public Law 828, 80th Cong.), is hereby amended by striking out "1949" wherever appearing therein and inserting in lieu thereof "1950".

PAR. 5. Section 19.322–7 of Regulations 103, as amended by Treasury Decision 5657, approved October 1, 1948, and § 29.322–7 of Regulations 111, as amended by said Treasury Decision 5657, are further amended by striking out in the last sentence of paragraph (a) of each such section the following: "extending to December 31, 1949," and by inserting in lieu thereof the following: "as amended by section 2 of Public Law 271 (81st Cong.), approved August 27, 1949, extending to December 31, 1950,".

PAR. 6. Inasmuch as the amendments made by this Treasury decision would merely change the dates from those specified by prior law to those now specified by Public Law 271 (81st Congress), which extends the application of section 22 (b) (9) and (10) of the Internal Revenue Code and extends the time for filing certain claims for credit or refund with respect to war losses, it is hereby found that it is unnecessary to issue this Treasury decision with notice and public procedure thereon under section 4 (a) of the Administrative Procedure Act, approved June 11, 1946, or subject to the effective date limitation of section 3 (c) of said act.

(53 Stat. 32; 26 U. S. C. 62)

[SEAL] GEORGE J. SCHOENEMAN,
Commissioner of Internal Revenue

Approved: September 12, 1950.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 50–8170; Filed, Sept. 18, 1950; 8:53 a. m.]

Subchapter E—Administrative Provisions Common to Various Taxes

[T. D. 5808]

PART 458—INSPECTION OF RETURNS

CERTIFICATION OF COPIES OF CERTAIN TAX RETURNS

In order to permit collectors, internal revenue agents in charge, and the heads of field divisions of the Technical Staff to furnish certified copies of tax returns to certain persons, Treasury Decision 4945, approved September 20, 1939 (26 CFR 458.200–458.209), is amended, in the interest of the internal management of the Government, by amending § 458.205 (26 CFR 458.205) (formerly § 463D.5) to read as follows:

§ 458.205 *Furnishing copies of returns; certified copies.* In accordance with the regulations in this part, a copy of a return may be furnished to any person who is entitled to inspect such return, upon written application therefor, and the submission of evidence satisfactory to the Commissioner of his right to receive the copy. The application and evidence of right to receive the copy of the return should be submitted to the Commissioner at Washington, except that if the applicant is (a) the Attorney General, The Assistant to the Attorney General, and Assistant Attorney General or a United States Attorney, or (b) the taxpayer or his duly authorized attorney in fact, or (c) in the case of an estate tax return, the executor, administrator, or his successor in office, or his duly authorized attorney in fact, or (d) in the case of a gift tax return, the donor or his duly authorized attorney in fact, and the return is in the custody of a collector of internal revenue, an internal revenue agent in charge, or the head of a field division of the Technical Staff, the application and evidence of right to receive the copy may be submitted to such collector, agent in charge or head of division, who may furnish a copy of the return and certify such copy upon request. Except as provided above, certified copies will be furnished only by the Commissioner upon specific request therefor by the applicant.

The Commissioner may prescribe a reasonable fee for furnishing copies of returns.

This Treasury decision shall be effective upon its filing for publication in the FEDERAL REGISTER.

(53 Stat. 29, 111, 116, 171, 186, 467; 54 Stat. 974, 989, 1008; 55 Stat. 722; 26 U. S. C. 55, 508, 603, 702 (a), 729 (a), 1204, 1604 (c), and 3791)

[SEAL] GEO. J. SCHOENEMAN,
Commissioner of Internal Revenue.

Approved: September 12, 1950.

THOMAS J. LYNCH,
Acting Secretary of the Treasury.

[F. R. Doc. 50–8171; Filed Sept. 18, 1950; 8:53 a. m.]

TITLE 31—MONEY AND FINANCE: TREASURY

Chapter II—Fiscal Service, Department of the Treasury

Subchapter B—Bureau of the Public Debt

[1950 Dept. Cir. No. 530, 6th Rev., dated Feb. 13, 1945, Amdt. 7]

PART 315—UNITED STATES SAVINGS BONDS

LIMITATION ON HOLDINGS

SEPTEMBER 12, 1950.

Pursuant to Section 22 (a) of the Second Liberty Bond Act, as amended (55 Stat. 7, 31 U. S. C. 757c), Subpart C of Department Circular No. 530, Sixth Revision, dated February 13, 1945 (31 CFR Part 315), as amended, is hereby further amended and revised to read as follows:

SUBPART C—LIMITATION ON HOLDINGS

§ 315.8 *Amount which may be held.* As provided by Section 22 of the Second Liberty Bond Act, added February 4, 1935, as amended (31 U. S. C. 757c), and by regulations prescribed by the Secretary of the Treasury pursuant to the authority of that section, as amended, the amounts of savings bonds of the several series issued during any one calendar year that may be held by any one person at any one time are limited as follows:

(a) *Series A, B, C, and D.* $10,000 (maturity value) of each series for each calendar year.

(b) *Series E.* $5,000 (maturity value) for each calendar year up to and including the calendar year 1947, and $10,000 (maturity value) for each calendar year thereafter.

(c) *Series F and G.* $50,000 (issue price) for the calendar year 1941, and $100,000 (issue price) for each calendar year thereafter, of either series or of the combined aggregate of both, except that, in the case of commercial banks authorized to acquire such bonds in accordance with § 315.5, the limitation shall be such as may have been or may hereafter be provided specifically in official circulars governing the offering of other Treasury securities, but in no event in excess of $100,000 (issue price) for any calendar year.

(d) *Special limitation for Series F and G Bonds purchased by institutional investors and commercial banks from July 1 through July 15, 1948.* $1,000,000 (issue price) of either series or of the combined aggregate of both for institutional investors holding savings, insurance and pension funds and $100,000 (issue price) of either series or of the combined aggregate of both for commercial and industrial banks holding savings deposits or issuing time certificates of deposit in the names of individuals and of corporations, associations, and other organizations not operated for profit, subject to the following conditions:

(1) For the purposes of this paragraph the classes of institutional investors will be limited to: (i) Insurance companies, (ii) savings banks, (iii) savings and loan associations and building and loan associations, and cooperative banks, (iv) pension and retirement funds, including those of the Federal, State and local governments, (v) fraternal benefit associations, (vi) endowment funds, and (vii) credit unions.

(2) Any bonds of Series F–1948 and Series G–1948 purchased under this special limitation, including any bonds in excess of $100,000 (issue price) purchased by eligible institutional investors, must be purchased during the period from July 1 through July 15, 1948.

(e) *Special limitation for Series F and G Bonds purchased by institutional investors and commercial banks during certain periods in the calendar year 1950.* (1) There is hereby provided for certain classes of institutional investors, and for certain commercial and industrial banks, a special limitation on holdings for bonds of Series F and of Series G purchased on original subscription from October 2 through October 10, 1950, for bonds dated October 1, 1950; those purchased from November 1 through November 10, 1950, for bonds dated November 1, 1950; and for those purchased from December 1 through December 11, 1950, for bonds dated December 1, 1950.

(2) The classes of institutional investors to which this offering is made are limited to: (i) Insurance companies (including organizations insuring the payment of hospital, medical and surgical expenses); (ii) savings banks; (iii) savings and loan associations and building and loan associations, and cooperative

banks; (iv) pension and retirement funds constituting separate legal entities, including those of the Federal, State and local governments; (v) fraternal benefit associations; (vi) endowment funds; (vii) trusts for charitable, educational, religious or other public purposes (whether or not incorporated), and State and municipal sinking funds; and (viii) credit unions. The aggregate purchases of Series F or Series G bonds, or the two series combined, made by an investor of any such class during the three periods will be limited to one million dollars (issue price) for the calendar year 1950 in excess of the existing limitation.

(3) Commercial and industrial banks holding savings deposits or issuing time certificates of deposit in the names of: (i) Individuals; and (ii) corporations, associations, and other organizations not operated for profit, will be permitted to purchase bonds of either Series F or Series G, or the two series combined, up to an aggregate during the three periods of $100,000 (issue price).

(f) The regulations set forth in this part are hereby modified to accord with the provisions of paragraphs (d) and (e) of this section.

(Sec. 22, 49 Stat. 41, as amended; 31 U. S. C. 757c)

Compliance with the notice, public procedure, and effective date requirements of the Administrative Procedure Act (Pub. Law 404, 79th Cong.; 60 Stat. 237) is found to be impracticable and unnecessary with respect to these regulations. They enlarge rather than restrict the rights of purchasers of United States Savings Bonds.

[SEAL] JOHN W. SNYDER,
Secretary of the Treasury.

[F. R. Doc. 50-8173; Filed, Sept. 18, 1950; 8:53 a. m.]

[1950 Dept. Circ. 654 3d Rev.]

PART 318—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES F AND G

SEPTEMBER 12, 1950.

Sec.

AUTHORITY: §§ 318.1 to 318.10 issued under sec. 22, 49 Stat. 41, as amended; 31 U. S. C. 757c.

SOURCE: §§ 318.1 to 318.10 contained in 1944 Department Circular No. 654, Second Revision, as amended (31 CFR 318.1 to 318.10).

§ 318.1 *Offering of United States Savings Bonds of Series F and Series G.* (a) The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale, to the people of the United States, through the Federal Reserve Banks, United States Savings Bonds of Series F and Series G, which may hereinafter be referred to as bonds of Series F and Series G. The sale of bonds of Series F and Series G will continue until terminated by the Secretary of the Treasury.

(b) United States Savings Bonds of Series F and Series G include bonds of any designation issued under this circular as originally published and amended, and those issued under this circular as previously or as now revised. As their terms are identical, no distinction is to be made between any bonds of Series F or Series G so issued.

§ 318.2 *Description and terms of bonds.* (a) Bonds of Series F and Series G will be issued only in registered form, in denominations of $25 (for Series F only), $100, $500, $1,000, $5,000 and $10,000 (maturity values), at prices hereinafter set forth. Each bond will bear the facsimile signature of the Secretary of the Treasury, and will bear an imprint in color (brown for Series F and blue for Series G) of the Seal of the Treasury. At the time of issue, on the face of each bond, the issuing agent will inscribe the name and address of the owner and the name of the coowner or beneficiary, if any, will enter the issue date (which is the first day of the month in which payment of the issue price is received by the Treasury or an authorized issuing agent), and will imprint his dating stamp (to show the date the bond is actually inscribed). Bonds of Series F and Series G shall be valid only if duly inscribed and dated, as above provided, and delivered by an authorized agent following receipt of payment therefor.

(b) The bonds of each series will, in each instance, be dated as of the first day of the month in which payment of the issue price is received by an agent authorized to issue the bonds, which date is herein referred to as the issue date; the bonds will mature and be payable at face value 12 years from such issue date. The issue date is the basis for determining the redemption or maturity period of the bond, and the date appearing in the issuing agent's stamp should not be confused therewith. The bonds of either series may not be called for redemption by the Secretary of the Treasury prior to maturity, but they may be redeemed prior to maturity, after six months from the issue date, at the owner's option, at fixed redemption values.

(c) Bonds of Series F will be issued on a discount basis at 74 percent of their maturity value. No interest as such will be paid on the bonds, but they will increase in redemption value at the end of the first year from issue date, and at the end of each successive half-year period thereafter until their maturity, when the face amount becomes payable. The increment in value will be payable only upon redemption of the bonds. A table of redemption values appears on each bond. The purchase price of bonds of Series F has been fixed so as to afford an investment yield of about 2.53 percent per annum compounded semiannually if the bonds are held to maturity; if the owner exercises his option to redeem a bond prior to maturity the investment yield will be less.

(d) Bonds of Series G will be issued at par, and will bear interest at the rate of 2½ percent per annum, payable semiannually from issue date. Interest will be paid by check drawn to the order of the registered owner. Interest will cease at maturity, or, in case of redemption before maturity, at the end of the interest period next preceding the date of redemption. A table of redemption values appears on each bond, and the difference between the face amount of the bond and the redemption value fixed for any period represents an adjustment (or refund) of interest. Accordingly, if the owner exercises his option to redeem a bond prior to maturity, the investment yield will be less than the interest rate on the bond. Bonds of Series G may be redeemed at par, in whole or in part, (1) upon the death of the owner, or a coowner, if a natural person, or (2) as to bonds held by a trustee or other fiduciary, upon the death of any person which results in termination of the trust. If the trust is terminated only in part, redemption at par will be made only to the extent of the pro rata portion of the trust so terminated, to the next lower multiple of $100. In any case request for redemption at par must be received by the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, or by a Federal Reserve Bank or Branch in accordance with the regulations governing savings bonds.[1]

(e) Tables A and B appended to this circular show separately for bonds of Series F and those of Series G: (1) The redemption values, by denominations, during the successive half-year periods following issue, (2) the approximate investment yield on the issue price from issue date to the beginning of each half-year period, and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity at the end of the 12-year period.

(f) Bonds of Series F and Series G will not be transferable, and will be payable only to the owner named thereon, except in case of death or disability of the owner or as otherwise specifically provided in the regulations governing savings bonds, and in any event only in accordance with said regulations. Accordingly they may not be sold, discounted, hypothecated as collateral for a loan or the performance of a service, or disposed of in any manner other than as provided in the regulations governing savings bonds, and, except as provided in said regulations, the Treasury Department will recognize only the inscribed owner, during his lifetime and competency, and thereafter his estate or heirs.

[1] See Department Circular No. 530, Sixth Revision, as amended (31 CFR Part 315), for current regulations.

(g) Taxation: For the purpose of determining taxes and tax exemptions, the increment in value represented by the difference between the price paid for bonds of Series F (which are issued on a discount basis), and the redemption value received therefor (whether at or before maturity) shall be considered as interest, and that interest and interest on bonds of Series G are not exempt from income or profits taxes now or hereafter imposed by the United States.[2] The bonds shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

§ 318.3 *Purchase of bonds*—(a) *Agencies.* Bonds of Series F and Series G may be purchased, while this offer is in effect, upon application to any Federal Reserve Bank or Branch, or to the Treasurer of the United States, Washington 25, D. C. Sales agencies, duly qualified under the provisions of Treasury Department Circular No. 657 (31 CFR Part 317) as amended and supplemented, and banking institutions generally, may submit applications for account of customers, but only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and the receipt of application and payment at an official agency will govern the dating of the bonds issued.

(b) *Payment for bonds.* Every application must be accompanied by payment in full of the issue price. Any form of exchange, including personal checks, will be accepted, subject to collection. Checks, or other forms of exchange, should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable. Any depositary qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised (31 CFR Part 203) will be permitted to make payment by credit for bonds applied for on behalf of its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

(c) *Postal savings.* Subject to regulations prescribed by the Board of Trustees of the Postal Savings System, the withdrawal of postal savings deposits will be permitted for the purpose of acquiring savings bonds.

(d) *Form of application.* In applying for bonds under this circular, care should be exercised to specify whether those of Series F or Series G are desired, and there must be furnished: (1) Instructions for registration of the bonds to be issued, which must be in one of the authorized forms (see § 318.5); (2) the post office address of the owner; (3) address for delivery of the bonds; and (4), in case of bonds of Series G, address for mailing interest checks. The use of an official application form is desirable, but not necessary. The application should be forwarded to the Federal Reserve Bank, or Branch, of the district, or to the Treasurer of the United States, accompanied by remittance to cover the purchase price ($74 for each $100 face amount of bonds of Series F, or $100 for each $100 face amount of bonds of Series G).

(e) *Issue prices.* The issue prices of the various denominations of bonds of Series F and Series G follow:

SERIES F

Denomination (maturity value)	$25.00	$100	$500	$1,000	$5,000	10,000
Issue (purchase) price	18.50	74	370	740	3,700	$7,400

SERIES G

Denomination (maturity value)	$100	$500	$1,000	$5,000	$10,000
Issue (purchase) price	100	500	1,000	5,000	10,000

§ 318.4 *Limitation on holdings.* (a) The amount of United States Savings Bonds of Series F, or of Series G, or the combined aggregate amount of both series originally issued during any one calendar year to any one person, including those registered in the name of that person alone, and those registered in the name of that person with another named as coowner, that may be held by that person at any one time shall not exceed such amount as may be prescribed from time to time by the Secretary of the Treasury by regulation.[3]

(b) Any bonds acquired on original issue which create an excess must immediately be surrendered for refund of the purchase price or for such other adjustment as may be possible, as provided in the regulations governing savings bonds.

§ 318.5 *Authorized forms of registration.* (a) United States Savings Bonds of Series F and Series G may be registered only in one of the following forms:

(1) In the names of natural persons (that is, individuals), whether adults or minors, in their own right, as follows: (i) In the name of one person; (ii) in the names of two (but not more than two) persons as coowners; and (iii) in the name of one person payable on death to one (but not more than one) other designated person.

(2) In the name of an incorporated or unincorporated body in its own right; but may not be registered in the names of commercial banks, which are defined for this purpose as those accepting demand deposits, except as provided in and to the extent and under such conditions as may be provided by regulations promulgated from time to time by the Secretary of the Treasury.[3]

(3) In the name of a fiduciary (except where the fiduciary would hold the bonds merely or principally as security for the performance of a duty or obligation).

(4) In the name of the owner or custodian of public funds.

(b) *Restrictions.* Only residents (whether individuals or others) of the United States (which for the purposes of this section shall include the Territories, insular possessions and the Canal Zone), citizens of the United States temporarily residing abroad and nonresident aliens employed in the United States by the Federal Government or an agency thereof may be named as owners, coowners or designated beneficiaries of savings bonds originally issued on or after April 1, 1940, or of authorized reissues thereof, except that such persons may name as coowners or beneficiaries of their bonds American citizens permanently residing abroad or nonresident aliens who are not citizens of enemy nations. American citizens permanently residing abroad and nonresident aliens who become entitled to bonds under the regulations governing savings bonds, by right of survivorship or otherwise upon the death of another, will have the right only to receive payment either at or before maturity.

(c) Full information regarding authorized forms of registration will be found in the regulations currently in force governing United States Savings Bonds.

§ 318.6 *Delivery and safekeeping of bonds.* (a) Federal Reserve Banks and Branches and the Treasurer of the United States are authorized to deliver bonds of Series F and Series G, duly inscribed and dated, upon receipt of the issue price. Bonds not delivered in person will be delivered by mail at the risk and expense of the United States, at the address given by the purchaser, but only within the United States, its territories and insular possessions and the Canal Zone.[4] No mail deliveries elsewhere will be made. If purchased by citizens of the United States temporarily residing abroad, bonds will be delivered at an address in the United States, or held in safekeeping, as the purchaser may di-

[2] For information concerning the taxable and exempt status under Federal tax laws of the interest (increment in value) on United States Savings Bonds issued on a discount basis (including bonds of Series F), and alternate methods of reporting such interest, see Internal Revenue Mimeograph, Coll. 6327, R. A. No. 1680, dated November 9, 1943.

[3] The current regulations are contained in Department Circular No. 530, Sixth Revision, as amended (see 31 CFR 315.8), *supra*.

[4] During any war emergency the Treasury may suspend deliveries to be made at its risk and expense from or to the continental United States and its territories, insular possessions and the Canal Zone, or between any of such places.

rect. Personal delivery should not be accepted by any purchaser until he has verified that the correct name, or names, and address are duly inscribed, that the issue date (the first day of the month in which payment of the issue price was received by the agent) is duly entered, and that the dating stamp of the issuing agent is duly imprinted with current date—all on the face of the bond. If received by mail, the same verification should be made, and if any error in inscription or dating appears, such fact should immediately be reported to the issuing agent, and instructions requested.

(b) Savings bonds of Series F and Series G will be held in safekeeping without charge by the Secretary of the Treasury if the holder so desires, and in such connection the facilities of the Federal Reserve Banks,[4] as fiscal agents of the United States, and those of the Treasurer of the United States, will be utilized. Arrangements may be made for such safekeeping at the time of purchase, or subsequently.

§ 318.7 *Payment at maturity or redemption prior to maturity*—(a) *General.* Any savings bond of Series F or Series G will be paid in full at maturity, or, at the option of the owner, after six months from the issue date, will be redeemed in whole or in part at the appropriate redemption value prior to maturity, on the first day of any calendar month, on one month's notice in writing, following presentation and surrender of the bond, with the request for payment properly executed, all in accordance with the regulations governing savings bonds.

(b) *Notice of redemption.* When a savings bond of Series F or Series G is to be redeemed prior to maturity, a notice in writing of the owner's intention must be given to and be received by a Federal Reserve Bank or Branch, or the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, not less than one calendar month in advance. A duly executed request for payment will be accepted as constituting the required notice.

(c) *Execution of request for payment.* The registered owner, or other person entitled to payment under the regulations governing savings bonds, must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign the request for payment, adding the address to which the check is to be mailed. After the request for payment has been so signed, the witnessing officer should complete and sign the certificate provided for his use. Unless otherwise authorized in a particular case, the form of request appearing on the back of the bond must be used.

[4] Safekeeping facilities may be offered at some Branches of Federal Reserve Banks, and in such connection an inquiry may be addressed to the Branch.

(d) *Officers authorized to witness and certify requests for payment.* The officers authorized to witness and certify requests for payment of savings bonds are fully set forth in the regulations governing savings bonds, and include but are not limited to (1) United States postmasters and certain other post office officials or designated employees; and (2) officers (or designated employees) of all banks or trust companies incorporated in the United States or its organized territories, including officers at domestic branches (within the United States or its territories or insular possessions and the Canal Zone), or at foreign branches. All certificates should be authenticated by official seal, if there is one, or by an imprint of an issuing agent's dating stamp.

(e) *Presentation and surrender.* After the request for payment has been duly executed by the person entitled and by the certifying officer, the bond must be presented and surrendered to a Federal Reserve Bank or Branch, or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, at the expense and risk of the owner. For the owner's protection, the bond should be forwarded by registered mail, if not presented in person.

(f) *Disability or death.* In case of the disability of the registered owner, or the death of the registered owner not survived by a coowner or a designated beneficiary, instructions should be obtained from a Federal Reserve Bank or Branch, or the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, before the request for payment is executed.

(g) *Method of payment.* The only agencies authorized to pay or redeem savings bonds are the Federal Reserve Banks and Branches, and the Treasurer of the United States. Payment in all cases will be made by check drawn to the order of the registered owner or other person entitled to payment, and mailed to the address given in the request for payment.

(h) *Partial redemption.* Partial redemption at current redemption value of a bond of Series F, of a denomination higher than $25 (maturity value), or of a bond of Series G, of a denomination higher than $100, is permitted, but must correspond to an authorized denomination. In case of partial redemption the remainder will be reissued in authorized denominations bearing the same issue date as the bond surrendered.

§ 318.8 *Series designation.* Bonds of Series F, issued during the calendar year 1950 are designated Series F–1950, and those of Series G are similarly designated Series G–1950, and those of either series which may be issued in subseuent calendar years will be similarly designated by the series letter, F or G, followed by the year of issue.

§ 318.9 *Lost, stolen, or destroyed bonds.* (a) If a bond of Series F or Series G is lost, stolen, or destroyed, a duplicate may be issued on the owner furnishing a description of the bond and establishing its loss, theft, or destruction.

(b) In any case of the loss, theft, or destruction of a bond of Series F or Series G, the owner should give immediate notice to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois, briefly stating the facts and giving a description of the bond. On receipt of such notice, full instructions for procedure will be given the owner.

(c) A descriptive record of each bond of Series F or Series G held should be kept by the owner, apart from the bonds, so that a full description of the bonds will be available if they are lost, stolen, or destroyed. The record for each bond should show: (1) The denomination; (2) the serial number (with its prefix and suffix letters); (3) the inscription (name or names, and address, on the face of the bond); and (4) the issue date (month and year of issue).

§ 318.10 *General provisions.* (a) All bonds of Series F and Series G, issued pursuant to this circular, shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds. The present regulations governing savings bonds are set forth in Treasury Department Circular No. 530, Sixth Revision, as amended, copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

(b) The Secretary of the Treasury reserves the right to reject any application for savings bonds of either Series F or Series G, in whole or in part, and to refuse to issue or permit to be issued hereunder any such savings bonds in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final.

(c) Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury in connection with the issue, delivery, safekeeping, redemption, and payment of savings bonds of Series F and Series G.

(d) The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, information as to which will be promptly furnished the Federal Reserve Banks and Branches.

Compliance with the notice, public procedure, and effective date requirements of the Administrative Procedure Act (Pub. Law 404, 79th Cong.; 60 Stat. 237) is found to be impracticable and unnecessary with respect to these regulations. They enlarge rather than restrict the rights of purchasers of United States Savings Bonds.

[SEAL] JOHN W. SNYDER,
Secretary of the Treasury.

APPENDIX A—UNITED STATES SAVINGS BONDS—SERIES F

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

Table showing: (1) How United States Savings Bonds of Series F, by denominations, increase in redemption value during successive half-year periods following issue; (2) the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value / Issue price	$25.00 / $18.50	$100.00 / $74.00	$500.00 / $370.00	$1,000 / $740	$5,000 / $3,700	$10,000 / $7,400	(2) Approximate investment yield on purchase price from issue date to beginning of each half-year period	(3) Approximate investment yield on current redemption value from beginning of each half-year period to maturity
Period after issue date	(1) Redemption values during each half-year period							
							Percent	Percent
First ½ year	Not redeemable							[1] 2.53
½ to 1 year	$18.50	$74.00	$370.00	$740	$3,700	$7,400	0.00	2.64
1 to 1½ years	18.55	74.20	371.00	742	3,710	7,420	.27	2.73
1½ to 2 years	18.62	74.50	372.50	745	3,725	7,450	.45	2.82
2 to 2½ years	18.72	74.90	374.50	749	3,745	7,490	.61	2.91
2½ to 3 years	18.85	75.40	377.00	754	3,770	7,540	.75	2.99
3 to 3½ years	19.00	76.00	380.00	760	3,800	7,600	.89	3.07
3½ to 4 years	19.17	76.70	383.50	767	3,835	7,670	1.03	3.15
4 to 4½ years	19.40	77.60	388.00	776	3,880	7,760	1.19	3.20
4½ to 5 years	19.65	78.60	393.00	786	3,930	7,860	1.34	3.24
5 to 5½ years	19.92	79.70	398.50	797	3,985	7,970	1.49	3.27
5½ to 6 years	20.22	80.90	404.50	809	4,045	8,090	1.63	3.29
6 to 6½ years	20.55	82.20	411.00	822	4,110	8,220	1.76	3.29
6½ to 7 years	20.87	83.50	417.50	835	4,175	8,350	1.87	3.31
7 to 7½ years	21.20	84.80	424.00	848	4,240	8,480	1.96	3.32
7½ to 8 years	21.52	86.10	430.50	861	4,305	8,610	2.03	3.35
8 to 8½ years	21.85	87.40	437.00	874	4,370	8,740	2.09	3.40
8½ to 9 years	22.17	88.70	443.50	887	4,435	8,870	2.14	3.46
9 to 9½ years	22.50	90.00	450.00	900	4,500	9,000	2.19	3.54
9½ to 10 years	22.85	91.40	457.00	914	4,570	9,140	2.24	3.63
10 to 10½ years	23.22	92.90	464.50	929	4,645	9,290	2.29	3.72
10½ to 11 years	23.62	94.50	472.50	945	4,725	9,450	2.34	3.81
11 to 11½ years	24.05	96.20	481.00	962	4,810	9,620	2.40	3.91
11½ to 12 years	24.50	98.00	490.00	980	4,900	9,800	2.46	4.08
Maturity value (12 years from issue date)	$25.00	$100.00	$500.00	$1,000	$5,000	$10,000	2.53	

[1] Approximate investment yield for entire period from issuance to maturity.

APPENDIX B—UNITED STATES SAVINGS BONDS—SERIES G

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

Table showing: (1) How United States Savings Bonds of Series G (paying a current return at the rate of 2½ percent per annum on the purchase price, payable semiannually) change in redemption value by denominations during successive half-year periods following issue; (2) the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually, and take into account the current return.

Maturity value / Issue price	$100.00 / $100.00	$500.00 / $500.00	$1,000 / $1,000	$5,000 / $5,000	$10,000 / $10,000	(2) Approximate investment yield on purchase price from issue date to beginning of each half-year period	(3) Approximate investment yield on current redemption value from beginning of each half-year period to maturity
Period after issue date	(1) Redemption values during each half-year period						
						Percent	Percent
First ½ year	Not redeemable						[1] 2.50
½ to 1 year	$98.80	$494.00	$988	$4,940	$9,880	0.10	2.62
1 to 1½ years	97.80	489.00	978	4,890	9,780	.30	2.73
1½ to 2 years	96.90	484.50	969	4,845	9,690	.44	2.84
2 to 2½ years	96.20	481.00	962	4,810	9,620	.61	2.94
2½ to 3 years	95.60	478.00	956	4,780	9,560	.75	3.04
3 to 3½ years	95.10	475.50	951	4,755	9,510	.88	3.13
3½ to 4 years	94.80	474.00	948	4,740	9,480	1.04	3.20
4 to 4½ years	94.70	473.50	947	4,735	9,470	1.20	3.29
4½ to 5 years	94.70	473.50	947	4,735	9,470	1.35	3.30
5 to 5½ years	94.90	474.50	949	4,745	9,490	1.51	3.32
5½ to 6 years	95.20	476.00	952	4,760	9,520	1.66	3.33
6 to 6½ years	95.50	477.50	955	4,775	9,550	1.79	3.33
6½ to 7 years	95.80	479.00	958	4,790	9,580	1.89	3.34
7 to 7½ years	96.10	480.50	961	4,805	9,610	1.98	3.35
7½ to 8 years	96.40	482.00	964	4,820	9,640	2.05	3.37
8 to 8½ years	96.70	483.50	967	4,835	9,670	2.12	3.39
8½ to 9 years	97.00	485.00	970	4,850	9,700	2.18	3.42
9 to 9½ years	97.30	486.50	973	4,865	9,730	2.23	3.46
9½ to 10 years	97.60	488.00	976	4,880	9,760	2.27	3.51
10 to 10½ years	97.90	489.50	979	4,895	9,790	2.31	3.60
10½ to 11 years	98.20	491.00	982	4,910	9,820	2.35	3.75
11 to 11½ years	98.60	493.00	986	4,930	9,860	2.39	3.94
11½ to 12 years	99.20	496.00	992	4,960	9,920	2.44	4.13
Maturity value (12 years from issue date)	$100.00	$500.00	$1,000	$5,000	$10,000	2.50	

[1] Approximate investment yield for entire period from issuance to maturity.

[F. R. Doc. 50-8174; Filed, Sept. 18, 1950; 8:54 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IV—Joint Regulations of the Armed Forces

Subchapter D—Military Renegotiation Regulations

[Amdt. 9]

PART 427—MILITARY RENEGOTIATION FORMS

MISCELLANEOUS AMENDMENTS

The following amendments are made to Subpart A of Part 427 of this subchapter, as follows:

§ 427.704 *Contractor's Information and Work Sheet (MRR704).* In certain cases the Board may send to a contractor a form designated as the Contractor's Information and Work Sheet which is designed to assist him in preparing and presenting information and data which are pertinent to the consideration of his case (see §§ 422.224 and 422.242 of this subchapter).

While the Contractor's Information and Work Sheet is sufficiently broad in scope to apply to most businesses, it may not lend itself readily to use by certain contractors, such as construction contractors, architects, and engineers. These contractors should consult with the Renegotiation Policy and Review Board as to an acceptable form for presenting the necessary data.

The contents of the Contractor's Information and Work Sheet are as follows:

INTRODUCTORY NOTE

Information requested in sections A to O, inclusive, and in the Exhibits attached hereto, is required for renegotiation under the Renegotiation Act of 1948. Any part of this information which has been submitted in the "Standard Form of Contractor's Report" may be omitted, provided reference is made to the date of its submission. If any statement or information requested is inapplicable in a particular case, so state and give the reason therefor.

All data requested herein should be submitted without regard to any previous filings under the Renegotiation Acts of 1942 and February 25, 1944, as amended.

All information and data submitted (subject to qualifications, if any, specifically set forth) must be certified by the contractor as true and correct.

Regulations, interpreting and applying the renegotiation statutes and prescribing standards and procedure for determining and eliminating excessive profits under the renegotiation statutes, have been published under the title of "Military Renegotiation Regulations." The subscription price for the Military Renegotiation Regulations, including amendments thereto and lists of prime contracts containing the Renegotiation Article, printed on sheets punched for a standard loose leaf binder, is $2.50. Subscriptions should be addressed to the Superintendent of Documents, Washington 25, D. C. The Military Renegotiation Policy and Review Board cannot honor requests for this item.

SECTION A. FINANCIAL STATEMENTS

One copy of each of the following should be furnished for the fiscal year under review unless previously filed pursuant to this Act:

1. Published annual report.

2. Audit report by independent public accountants—preferably long form audit report.

NOTE: If an annual report to security holders or an audit report by independent public accountants has not been prepared, the following financial statements, prepared from your books, should be submitted:

(a) Statement of Income or Profit and Loss for the fiscal year. The income statement should show: (1) Gross sales, less discounts, returns and allowances; (2) cost of goods sold (net of discounts on purchases), including opening and closing inventories and a classification of manufacturing costs and factory burden; and (3) a classified list of selling and administrative expenses and miscellaneous items.

(b) Statement of Surplus for the fiscal year, and

(c) Balance Sheet as of the close of the fiscal year. The balance sheet should show, in addition to the usual classifications of current assets and current liabilities, the gross plant account and related reserve for depreciation, other major reserves stated as separate amounts and their purposes clearly captioned, and details of the capital accounts.

3. Federal income tax return (latest amended return, if amended):

(a) If a corporation, U. S. Corporation Income Tax Return (Form 1120).

(b) If a partnership or joint venture, U. S. Partnership Return of Income (Form 1065) and all personal income tax returns, or returns of the entities, listed in schedule or "Partners' Shares of Income and Credits".

(c) If an individual, the personal income tax return of the person (or person and spouse) in which the income has been reported.

4. Reconcilement of any differences between income per annual or audit report and income per Federal income tax return, including an explanation of the effect on renegotiable income of any of such differences. (See Regulations § 423.381–4 (a), (b), (c)—also Note on Exhibit 1, MRR 704.1.)

5. A copy of your Income Statement, preferably in comparative form, for each of the 2 fiscal years immediately preceding the year under review, unless submitted in a previous year's renegotiation proceedings under the Renegotiation Act of 1948.

6. An income statement for the fiscal year under review, separated as to renegotiable and non-renegotiable business as defined in the Regulations, is required. The attached Exhibits 1 and 1 (a), with instructions, are provided for use in this connection. The income data, segregated between renegotiable and non-renegotiable business, may be submitted on other sheets, but the classifications provided on Exhibits 1 and 1 (a) should be followed. See section A–7, pertaining to financial statements required if renegotiation is to be conducted on a consolidated basis.

Sales and cost of goods sold should be stated net of discounts, returns and allowances.

Supporting schedules of items requiring further analysis should be provided. If there are several types of widely divergent operations, it may be desirable to supplement Exhibits 1 and 1 (a) with schedules showing operating results by separate fields of activity. Federal and State taxes measured by income should be shown separately on the lines provided on Exhibit 1.

7. Consolidated basis: If the financial statements are submitted on a consolidated basis, financial statements for each subsidiary having renegotiable business and included in such consolidation must also be submitted. A consolidating Balance Sheet and consolidating Income Statement are required. The consolidating Income Statement may be submitted for Exhibit 1, if the same line captions and column headings are used. The amount of inter-company sales or other inter-company transactions, and whether or not eliminated in consolidation, should be reported, and the method of setting intercompany prices explained. (See sec. H 3 (c).)

NOTE: In financial statements all cents may be omitted.

SECTION B. INCOME TAX DATA

1. Items A3 and A4, pages 2 and 3, must be submitted, and in addition:

2. State the latest taxable year examined by the Bureau of Internal Revenue and report any significant adjustments resulting in a change in taxable income or capital assets as a result of such examination.

3. If taxes measured by income, other than Federal taxes (including so-called franchise taxes), are significant in amount, submit a schedule showing the amounts paid, the kind of tax and the tax authority to which such taxes were paid, the period for which the tax was billed, the basis on which accruals for the respective taxes were made and a reconcilement of any differences between such basis and the periods for which the taxes were levied. Explain the basis of allocation of these taxes (Line 12, Exhibit 1) between renegotiable and non-renegotiable business.

SECTION C. ORGANIZATION, OWNERSHIP, AND AFFILIATIONS

1. A brief history of the business, including date and state of organization, changes in name, a general statement as to character of operations, a list of plants and branch offices and the functions performed by plants engaged in renegotiable business, is required.

2. Any recapitalization during the period under review should be described.

3. Indicate any changes during the period under review in the form or control of organization, such as reorganization, the acquisition, disposal or dissolution of subsidiaries, etc.

4. A copy of the latest brochure, catalog or other material describing your company's business and products, if not previously submitted, is requested.

SECTION D. BUSINESS OF CONTRACTOR

1. List major products or services sold during the fiscal year under review and during the 2 fiscal years immediately preceding the one under review.

2. List major competitors and the articles in competition.

3. List the approximate amount of renegotiable sales, (a) in quantity (if readily available) and (b) in dollars, of each principal type or group of products, and the functions performed with respect to each, such as manufacturing, assembling, distributing.

4. Furnish a statement as to the dollar amount included in costs allocated to renegotiable business (see Exhibit 1 (a), Line 19) which arose from any portion of your manufacture subcontracted in the year under review. Give a list (in duplicate) of principal suppliers of material, subassemblies, and finished parts. Also, a statement of materials and subassemblies, if any, furnished to subcontractors. Show the relations with subcontractors as to the degree of supervision, inspection, and financing furnished.

5. As to subcontracts, list (in duplicate) major customers for renegotiable business, the types of products or services furnished to them and their approximate dollar amount.

SECTION E. PRICE RECORD AS TO RENEGOTIABLE BUSINESS

1. If feasible, list the dollar unit prices and types of important products and services included in renegotiable business.

2. Furnish details of any rebates or refunds, price reductions or increases made during the year under review affecting renegotiable business (fixed price, CPFF, incentive or other type of contracts). The details should include: (a) Amounts, dates and to whom rebates or refunds were made; (b) original and revised unit prices, the quantities affected, and the amounts involved; (c) reason for change in price, or for refund or rebate; (d) whether or not reflected in the financial statements for the year under review, and, if reflected, the extent thereof; and (e) if a subcontractor, the name of its customer.

3. Explain status of any contractual price redetermination provisions which could affect, retroactively, the renegotiable income as reported for fiscal year under review. (See Regulations §§ 423.307 and 424.403–2).

4. Explain purchasing policy with respect to suppliers and subcontractors.

5. Explain any substantial difference between profit margins on renegotiable and non-renegotiable business.

SECTION F. GOVERNMENTAL AND OTHER ASSISTANCE

1. Explain assistance received (estimated if necessary), such as—

(a) Value of machinery borrowed;
(b) Value of plants provided;
(c) Value of customer furnished ("free issue") materials;
(d) Advances on contracts;
(e) Other financial or technical assistance received, and amount of former.

The above refers to both governmental assistance and that received from other contractors; however, each item should be shown separately. The amount of rentals paid for Government plant should be given; also, estimated dollar volume of renegotiable production therefrom.

SECTION G. PLANT FACILITIES

1. If not previously furnished, summarize in tabular form the gross values, related reserves and net values of property, plant and equipment, showing beginning balances, additions, and retirements during the period under review and closing balances. Values of the facilities should be set forth on the basis of original cost; any deviations therefrom should be explained.

2. Give an estimate of the cost of plant and equipment additions during the fiscal year under review occasioned by renegotiable business.

3. Submit a statement of losses from sale, exchange or other disposal of facilities used in the performance of renegotiable contracts or subcontracts. (See Regulations, paragraphs 423.384–2 (c) and 423.385–4.)

4. Report the cost of any completely amortized facilities and state what portion, if any, of such facilities was used in renegotiable business.

NOTE: Detailed lists need not be prepared. It will be sufficient to report by classifications such as buildings, machinery, etc.

SECTION H. SEGREGATION OF SALES AND ALLOCATION OF COSTS AND EXPENSES

1. Unless previously filed with the Military Renegotiation Policy and Review Board, include a complete description of the methods followed in segregating renegotiable and non-renegotiable sales shown in Exhibits 1 and 1 (a) MRR Forms 704.1 and 704.1 (a)).

2. Describe the methods used (job order or process cost system, etc.) in computing or allocating costs, expenses, and other income and deductions applicable to renegotiable and non-renegotiable business shown in Exhibits 1 and 1 (a). State whether such methods were consistent with procedure under the company's system of cost accounting. State whether your cost accounting system is under general ledger control. Explain fully any significant changes made during the subject fiscal year in the basis or method of allocating costs to company products or to renegotiable and non-renegotiable

business. State in which plants renegotiable business operations were conducted.

3. Explain or furnish schedules, showing segregation where applicable, between renegotiable and non-renegotiable business, with respect to each of the following:

(a) In the case of an integrated producer, a computation supporting the exemption of raw materials or agricultural commodities (see par. 423.343 of the Regulations);

(b) Sales to subcontractors of materials entering into repurchases from them;

(c) Interdepartmental sales and profit not eliminated (see Consolidated basis—sec. A–7);

(d) Provision for normal depreciation, accelerated depreciation, and depreciation on idle plant;

(e) Method of inventory valuation—materials, work in process and finished goods; character of charges included in such valuations, if readily ascertainable; date as of which physical inventory was taken, and information as to whether or not supervised by independent public accountants; write-downs and losses, by types and amounts, on disposal of inventory items, giving basis therefor;

(f) Basis of allocation of selling and advertising expenses unless previously furnished. (See MRR 423.387 re advertising expense);

(g) Contractor's attention is called to the fact that no expense for contributions may be allocated to renegotiable business. (See MRR 423.388–2.)

NOTE: Adequate explanations are essential to the equitable consideration of your case—see Part 423 of the Regulations.

(There is no section capitioned I.)

SECTION J. SALARIES AND OTHER COMPENSATION

1. A schedule showing salaries and all other compensation (including commissions, bonuses, royalties, and other forms of extra compensation) paid or accrued to the 10 highest paid officers and employees, or to those who received in excess of $10,000 per annum (whichever is the lesser in number) for the period under review, and in each of the 2 fiscal years immediately preceding, is required.

2. Describe briefly any bonus, pension trust, or other employee compensation plans in effect or provided for, with comment as to how they are applicable to personnel listed under Item 1, preceding, showing the dates that such plans were adopted and whether approved by the Bureau of Internal Revenue and the basis of computation of amount deductible in computing taxable income.

3. Detail compensation of whatever character (fees, commissions, etc.) aggregating $10,000 or more per payee, to other individuals or organizations, paid or accrued during the period under review, and the two fiscal periods immediately preceding. Indicate the basis for computation of such compensation.

NOTE: The statements of compensation should show for each individual or organization: Name, title or relationship, duties (unless self-explanatory), time devoted to business, total compensation; portion of the compensation paid to any of the individuals listed disallowed by the Bureau of Internal Revenue as a taxable deduction in the two latest years examined. Any compensation, based on sales or profits, which has been or will be affected by renegotiation should be reported.

SECTION K. RESERVES

1. If any portion of an amount included in costs and expenses as provision for a reserve was allocated to renegotiable business, although part or all of such provision was not deducted for tax purposes, state the amount allocated to renegotiable business and explain the basis for such allocation and the purpose of the related reserve. If no such charges were made, so state. (See section A–4.)

SECTION L. COST-PLUS-FIXED-FEE (CPFF) CONTRACTS

1. The following data should be submitted for each CPFF contract subject to the Renegotiation Act of 1948:

(a) For prime contracts, date, product, and contract number; for subcontracts, name of prime contractor and prime contract number, if known;

(b) Total cost and fee as originally estimated, stated separately;

(c) Changes in original cost estimates;

(d) Adjustments to fee for changes and reasons therefor;

(e) Fees received or accrued in year under review and basis on which computed; amount, if any, of fees accrued on partially completed contracts but not billed or booked;

(f) Costs incurred or accrued in year under review;

(g) Estimate of cost to complete;

(h) Amounts and types of disallowed and non-reimbursable costs and costs not submitted, summarized and explained by major classifications;

(i) An explanation of variations, if any, between estimated and actual costs.

NOTE: See Regulations § 424.043–2.

SECTION M. TERMINATED CONTRACTS

1. Furnish a statement of the aggregate receipts or accruals (exclusive of those based on the termination claims of own subcontractors) applicable to claims based on renegotiable contracts and subcontracts terminated during the period under review and a statement as to the status of such claims. Also, furnish an estimate of any amounts not included in your financial statements for which you had or may have a claim relating to contracts terminated during the year under review.

2. Include an estimate of the total amount involved in terminations during the period under review on which claim for compensation has been waived (so-called "no cost" settlements) together with the percentages thereof represented by (a) raw materials and (b) fabricated or semi-fabricated materials. Explain the disposition of inventories or charges.

NOTE: The attached Exhibit 2 is provided for use in reporting the information and data called for under Items 1 and 2 above. Separate statements should be submitted for terminations under fixed-price operations and cost-plus-fixed-fee operations.

SECTION N. STATEMENT OF FACTORS

You are invited to furnish a statement of the salient facts with regard to each of the following factors (which must be taken into consideration in renegotiation):

(a) Efficiency, with particular regard to attainment of quantity and quality production, reduction of costs and economy in the use of materials, facilities, and manpower;

(b) Reasonableness of costs and profits, with particular regard to (1) volume of production, earnings on business not subject to renegotiation, both for the year under review and for prior years; (2) comparison of products under subject contracts and subcontracts with products not subject to renegotiation; (3) the different economic conditions existing on or after the effective date of the 1948 Act from those prevailing during the period 1942 through 1945.

(c) Amount and source of public and private capital employed and net worth;

(d) Extent of risk assumed; including the risk incident to reasonable pricing policies;

(e) Nature and extent of contribution to the national security, including inventive and developmental contribution and cooperation with the Government and other contractors in supplying technical assistance;

(f) Character of business, including complexity of manufacturing technique, character, and extent of subcontracting, and rate of turn-over.

NOTE: Only facts relevant to results for the fiscal year under review should be submitted, and generalizations avoided. (See MRR 424.409 through 424.416.)

SECTION O. MISCELLANEOUS

1. Include a statement relative to each of the following:

(a) Royalties paid or incurred, or received or accrued, segregated as to amounts applicable to renegotiable and non-renegotiable business. (Exhibit 3 may be used to present this information).

(b) A list of any claims against the Government arising out of contracts and subcontracts subject to renegotiation under the Renegotiation Act of 1948.

(c) Describe briefly any pending litigation, the outcome of which might affect renegotiable profits for the period under review.

§ 427.704–1 *Statement of Income (MRR 704–1).* (a) This form is generally referred to as Exhibit 1 and, together with the detail supporting this statement on its reverse side which is known as Exhibit 1 (a), accompanies the Contractor's Information and Work Sheet described above in § 427.704. The contractor is requested to submit on this form his income statement for the fiscal year under review showing in Column A, Total Business, in Columns B and C, Renegotiable Business separated as to Cost-Plus-A-Fixed-Fee (CPFF) Business and Fixed Price Business, and, in Columns D and E, Non-renegotiable Business separated as to CPFF and Fixed Price Business.

(b) The content of the form is as follows:

SALES, LESS DISCOUNTS, RETURNS, AND ALLOWANCES

PRIME CONTRACTS AND PURCHASE ORDERS, SUBCONTRACTS AND PURCHASE ORDERS, OTHER RENEGOTIABLE BUSINESS

1. Net sales, including CPFF billings.
2. Cost of goods sold.
3. Selling and advertising expense.
4. General and administrative expenses.
5. } Additional spaces provided.
6. }
7. Total costs and expenses.
8. Operating profit.
9. Other income (itemize on separate schedule):
   a. Allocable in part or wholly to renegotiable business.
   b. Allocable wholly to nonrenegotiable business.
   c. } Additional spaces provided.
   d. }
10. Other deductions (itemize on separate schedule):
   a. Allocable in part or wholly to renegotiable business.
   b. Allocable wholly to nonrenegotiable business.
   c. } Additional spaces provided.
   d. }
11. Profit for renegotiation before State income taxes.
12. State taxes measured by income.
13. Net profit before provision for Federal taxes on income and for extraordinary reserves.
14. Provision for Federal taxes on income.
15. Net profit before extraordinary reserves.
16. Provision for extraordinary reserves.
17. Net income per books.

NOTE: An itemized reconcilement of any differences between income per books or audit report and income per Federal income tax return, including an explanation of the

effect on renegotiable income of any such differences, should be submitted on a separate schedule.

§ 427.704–1a *Details of Exhibit 1 (MRR 704–1 (a))*. (a) The contractor is requested to furnish on Exhibit 1 (a) detailed data to substantiate certain items appearing in Exhibit 1. These details are to be separated as in Exhibit 1 to show: Total Business, Renegotiable Business, separated as to Cost-Plus-A-Fixed Fee (CPFF) Business and Fixed Price Business, and Non-renegotiable Business, also separated as to CPFF and Fixed Price Business.

(b) The content of this form, generally referred to as Exhibit 1 (a), is as follows:

18. Cost of goods sold:
  a. Materials purchased, less discounts.
  b. Goods purchased for resale.
  c. Direct labor.
  d. Indirect labor.
  e. Maintenance and repairs.
  f. Rent.
  g. Royalties.
  h. Depreciation.
  i. Other costs (itemize on separate schedule).
  j. Additional space provided.
  k. Inventory increase or (decrease).
  l. Total (per line 2, Exhibit 1).
19. Approximate amount of work subcontracted included in cost of sales.
20. Selling and Advertising expense:
  Selling:
    a. Salaries (other than branch office salaries).
    b. Commissions paid to outsiders.
    c. Branch office salaries and expenses.
    d. Other, including depreciation (itemize on separate schedule).
    e. Additional space provided.
    f. Total Selling expense.
  Advertising:
    a. Trade papers.
    b. Additional space provided.
    c. Total Advertising expense.
    Total Selling and Advertising expense (per line 3, Ex. 1).
21. General and Administrative expense:
  a. Officers' salaries.
  b. Other office salaries.
  c. Other expense (itemize on separate schedule).
  d. | Additional spaces provided.
  e. |
  f. Contributions (see § 423.388–2 of Regulations).
  g. Total (per line 4, Exhibit 1).

§ 427.704–1b *Instructions for Preparation of Exhibits 1 and 1 (a) (MRR 704.1 and 704.1 (a))*. *General.* When the contractor is engaged in two or more types of renegotiable business of a widely divergent nature or operates on a divisional basis, it is preferable that the sales, costs and expenses be reported separately. In such cases, Exhibits 1 and 1 (a) may be expanded as required.

Renegotiable sales. Opposite line titled "Prime contracts and purchase orders", enter in columns (B) and (C) direct sales to the Department of Defense, including the Departments of the Army, the Navy, and the Air Force, under renegotiable prime contracts and purchase orders.

NOTE: Sales under Cost-Plus-a-Fixed-Fee contracts (CPFF) are total billings and related accruals, including fees.

Opposite line titled "Subcontracts and purchase orders," enter in columns (B) and (C) renegotiable sales under subcontracts of any tier or purchase order falling within the definition of a subcontract, except those required to be reported on the line titled "Other renegotiable business."

Opposite the line titled "Other renegotiable business" enter in columns (B) and (C) renegotiable sales or revenues such as royalties, commissions, management fees, etc.

Receipts and accruals, estimated if necessary, relative to the uncompleted portions of terminated contracts or subcontracts should be set out in a separate column under the appropriate caption, CPFF or Fixed Price. If these include amounts based on own subcontractors' claims, the aggregate of the latter should be shown as a footnote to Exhibit 1.

Line 1. Enter total renegotiable and nonrenegotiable sales on Line 1, in the appropriate columns. If your aggregate net sales shown on this line are not in agreement with sales shown in your published income statement or your audit report, submit a reconciliation of such variation.

Lines 2, 3, 4, and 7. In allocating costs and expenses between renegotiable and nonrenegotiable business, the contractor's cost system, if adequate, should be employed. Otherwise, percentages or other formulae may have to be used, either as to individual products or groups of products, or by departments, divisions, etc. Each major item of selling and general expenses should be allocated in accordance with the most equitable method in view of the particular situation. The amounts reported in columns (B) and (D) of line 7 should be those costs and expenses incurred or accrued and allocated to CPFF contracts in accordance with the contractor's system of accounts, rather than the amount of reimbursable cost and expense.

Line 9. Other income.

Line 10. Other deductions.

Lines 9 and 10, a., b., c. Amounts representing non-operating income and expenses, which are wholly or partially applicable to renegotiable business, should be entered on lines 9a and 10a, respectively.

Losses from write-downs and disposal of inventory items (if significant) should be entered on line 10c and not merged with cost of sales. Non-operating items not applicable to renegotiable business should be entered on lines 9b and 10b. Examples of these are profit on disposal of fixed assets, adjustments applicable to prior years, dividends received, write-off of intangibles, etc.

Lines 18a to 1, Cost of Goods Sold. The cost of goods sold summary illustrated contemplates the summarization of the cost of sales by account classifications reflecting beginning and ending inventories.

If the contractor's cost system does not lend itself readily to the captions provided under this heading, the contractor may submit in lieu thereof a schedule prepared from his own classification of accounts. Where unit costs are compiled, an over-all approximation (expressed either in dollars or per cent) of the material, labor, and overhead elements will be sufficient. While it is desired that the schedule of cost of sales be filled in, it is not required if the allocation would cause an undue amount of work on the part of the contractor, or if the cost of sales is allocated in proportion to the dollar value of sales, but the reasons for omissions should be stated.

Line 20, Selling and Advertising Expenses. If the contractor's accounts contain any significant amounts included under captions not listed, a separate schedule should be submitted. Salaries should include all forms of compensation, that is salaries, bonuses, etc.

Line 20b applies only to commissions paid to non-employees, such as brokers, manufacturers' agents, etc.

As to Advertising, it is important that § 423.387–2 of this chapter be reviewed.

Line 21, General and Administrative Expenses. Six lines have been provided for the insertion of any relatively large items. Should the captions and lines provided be considered inadequate, a separate schedule should be submitted, in line with the classifications customarily used by the contractor.

PART 428—STATUTES, ORDERS AND DIRECTIVES

RAW MATERIALS EXEMPTION

The following amendment is made to § 428.841 of Subpart D of Part 428 of this subchapter.

§ 428.841 *Raw materials exemption.* The Military Renegotiation Policy and Review Board has determined that contracts and subcontracts for any of the following products are exempt from renegotiation pursuant to provisions of subsection (i) (1) (B) of the Renegotiation Act of February 25, 1944, as amended, adopted by reference by section (d) of the 1948 act, and that said products shall be added to the list of products heretofore determined to be so exempt (15 F. R. 5197). See § 423.343–1 of this subchapter.

NOTE: This list may be modified from time to time.

Timber, standing; logs; logs sawed into length, and logs with or without bark.

(Sec. 3, 62 Stat. 259; 50 U. S. C. App. Sup., 1193)

Adopted by the Board: July 6, August 4, September 1, 1950.

FRANK L. ROBERTS,
Chairman, Military Renegotiation Policy and Review Board.

[F. R. Doc. 50–8185; Filed, Sept. 18, 1950; 8:55 a. m.]

Chapter VII—Department of the Air Force

Subchapter G—Personnel

PART 881—PERSONNEL REVIEW BOARDS

MISCELLANEOUS AMENDMENTS

Sections 881.2, 881.3 (a), 881.5 (a) and (b), and 881.10 (a) are amended as follows:

§ 881.2 *Authorization and jurisdiction.* (a) The Board is an administrative agency, established in the Office of the Secretary of the Air Force, pursuant to section 207 of the Legislative Reorganization Act of 1946 (60 Stat. 837; 5 U. S. C. 191a), National Military Establishment Transfer Order 23 (13 F. R. 5837), Joint Army and Air Force Adjustment Regulations 1–11–45, October 7, 1948, and National Military Establishment Transfer Order 40 (14 F. R. 4908), as amended by Department of Defense Amendment One thereto (14 F. R. 6411), which authorize the Secretary of the Air Force to correct any military record under the jurisdiction of the Department of the Air Force or of the United States Air Force where in his judgment such action is necessary to correct an error or to remove an injustice. Section 131 of the Legislative Reorganization Act of 1946 (60 Stat. 831) provides that no bill authorizing or directing the correction of a military record shall be received or

considered in either the Senate or the House of Representatives. This statutory authority, therefore, is construed as a substitute for the correction of military records by Congressional action and as conferring jurisdiction upon the Secretary of the Air Force, consistent with existing law, substantially equivalent to that previously exercised by the Congress (40 Ops. Atty. Gen. 504).

(b) Unless directed by the Secretary of the Air Force, or the designated official acting for him, the Board will not review any case in which final action has been taken by him or by higher authority. No application will be considered until the applicant has exhausted all remedies afforded him by existing law or regulations.

§ 881.3 *Application.* (a) The applicant for relief will submit a written request on Department of Defense Form 149, Application for Correction of Military or Naval Record, to the Secretary of the Air Force, Attention: Headquarters United States Air Force, Air Adjutant General, Washington 25, D. C. Copies of Department of Defense Form 149 may be obtained from Headquarters United States Air Force, Air Adjutant General, Washington 25, D. C.

* * * * *

§ 881.5 *Hearing.* (a) When an application is found to be within the jurisdiction of the Board and when the Air Adjutant General has determined that all other appeal channels have been exhausted, the applicant will be entitled to appear before the Board in open session, either in person or by counsel of his own selection. At the discretion of the Board, the applicant may present witnesses to testify in support of his claim. As used in §§ 881.1 to 881.13 the term "counsel" will be construed to include members of the Federal bar in good standing, the bar of any State in good standing, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the act of June 29, 1936 (sec. 200, 49 Stat. 2031; 38 U. S. C. 101), and such other persons who, in the opinion of the Board, are considered to be competent to present equitably and comprehensively the claim of the applicant for review. In no case will the expenses of the applicant or expenses or compensation of witnesses or counsel for the applicant be paid by the Government.

(b) In each case in which hearing is granted the Board will transmit to the applicant a written notice stating the time and place of hearing. The notice will be mailed to the applicant at least 30 days prior to the date of hearing. The applicant must inform the Board in writing after receipt of notice of hearing and at least 15 days before the date of the hearing that he and/or witnesses or counsel will be present at the time and place set for the hearing. The applicant will be responsible for notifying his witnesses, if any. The record will contain evidence that written notice was given the applicant, and the time and manner thereof.

* * * * *

§ 881.10 *Transmittal of records and action.* (a) The record of proceedings and the recommendation of the Board will be forwarded to the Secretary of the Air Force or the designated official acting for him. After review, the Secretary, or the designated official acting for him, will issue a directive to the Chief of Staff, United States Air Force, Washington 25, D. C., for appropriate action.

* * * * *

[AFR 31-3A] (Sec. 207, 60 Stat. 837; 5 U. S. C. 191a)

[SEAL] L. L. JUDGE,
Colonel, U. S. Air Force,
Air Adjutant General.

[F. R. Doc. 50-8130; Filed, Sept. 18, 1950; 8:45 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter I—National Production Authority, Department of Commerce

[NPA Reg. 1]

PART 10—INVENTORY CONTROL

This regulation is found necessary and appropriate to promote the national defense and is issued pursuant to the authority granted by section 101 of the Defense Production Act of 1950. Consultation with industry representatives in advance of the issuance of this regulation has been rendered impracticable by the fact that the regulation applies to all trades and industries.

Sec.

AUTHORITY: §§ 10.1 to 10.16 Issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong., sec. 101, E. O. 10161, Sept. 12, 1950, 15 F. R. 6105.

§ 10.1 *Purpose.* The purpose of this part is to prevent the accumulation of excessive inventories of materials in short supply. It does this by limiting the quantities of such materials that can be ordered, received, or delivered.

§ 10.2 *Materials covered.* This part applies only to those materials listed in the attached Table I in the shapes and forms therein specified.

§ 10.3 *Persons affected.* This part does not apply to ultimate consumers buying for personal or household use but does apply to everyone else buying or selling either for use or for resale (including resale in export trade).

§ 10.4 *Practicable minimum working inventory.* As used in this part, the term "practicable minimum working inventory" means the smallest quantity of material from which a person can reasonably meet his deliveries or supply his services on the basis of his currently scheduled method and rate of operation. In the absence of unusual circumstances, if the ratio of a person's inventory to his currently scheduled operations is substantially greater than the ratio which he found it necessary to maintain between inventory and operations during the recent past, his inventory will be considered excessive.

§ 10.5 *Restriction on receipts.* (a) No person may receive or accept delivery of material listed in table I if his inventory of that material is, or by such receipt would become, more than a practicable minimum working inventory.

(b) In figuring his inventory, a person must include all such material in his possession or held for his account by others but not that held by him for the account of others. Material is considered to be in inventory until actually put into process or actually installed or assembled.

(c) This part does not provide for disposal of excess inventory which may be on hand. Excess inventory may, however, be subject to requisition, under certain circumstances, as provided in section 201 (a) of Title II of the Defense Production Act of 1950.

(d) Any person engaged in a seasonal business or industry who normally stocks inventory in advance of the season may, notwithstanding the restriction in paragraph (a) of this section, accept such advance delivery of his seasonal requirements provided that the deliveries accepted are no greater and no further in advance than those which he would normally accept in the ordinary course of his business to meet reasonably anticipated seasonal requirements.

§ 10.6 *Restriction on delivery.* No person may deliver any material if he knows or has reason to believe that his customer is not permitted to receive it under this part.

§ 10.7 *Restriction on ordering.* (a) No person may place any order calling for delivery of any material earlier or in larger amounts than he would be permitted to receive under this part.

(b) A person may not place orders with different suppliers totalling more than he is permitted to receive even though he intends to cancel one or more of the orders before delivery.

§ 10.8 *Adjustment of orders.* (a) Outstanding orders, placed before the effective date of this part, for delivery earlier or in greater quantities than a person is permitted to receive, must be promptly cancelled, reduced or deferred to the extent that the original scheduled delivery would result in his exceeding his practicable minimum working inventory.

(b) A person whose requirements change, either because of an alteration in operations, slowing or stoppage of production, delayed delivery by suppliers, or otherwise, must promptly cancel, reduce or defer his outstanding

orders to the extent that the original scheduled delivery would result in his exceeding his practicable minimum working inventory.

§ 10.9 *Receipts permitted after adjustment of orders.* Where a person has promptly adjusted his outstanding orders as required by § 10.8, delivery of the material involved may be made and received and the restrictions on receipts may be exceeded to the following extent only:

(a) Delivery may be made and accepted if the supplier has shipped the material or loaded it for shipment before receipt of the instruction to adjust.

(b) Delivery may be made and accepted of any special item which the supplier actually has in stock or in production, or for the production of which he has acquired special components or special materials. For the purpose of this part, a special item is one that the supplier does not usually make, stock, or sell, and which cannot readily be disposed of to others.

(c) Delivery may be made by, and accepted from a producer, if the material has already been produced or is in production before receipt of the instruction to adjust and cannot be used to fill other orders on the producer's books.

§ 10.10 *Separate operating units.* In the case of a person who keeps separate inventory records for them, this part applies to each such operating unit independently.

§ 10.11 *Imported materials.* A person may import any material acquired prior to landing without regard to the inventory restrictions of this part. However, if his inventory of a material thereby becomes in excess of the amount permitted, he may not receive further deliveries of it from domestic sources until his inventory is reduced to permitted levels. The inventory restrictions of this part do apply to any deliveries of the imported material he makes, and to the amount of it that any person accepting delivery from him is permitted to receive.

§ 10.12 *Minimum sales quantities.* In the case of materials that are mass produced or are normally marketed only in minimum sales quantities, a person may order and receive from a producer a minimum production run of such a material, or from any other supplier a minimum sales quantity, provided it is not practicable for him to procure his needs from other suppliers in smaller quantities, even though his inventory of such material is thereby increased beyond a practicable minimum working inventory. He may not receive additional quantities, however, until his inventory is reduced below a practicable minimum working inventory.

§ 10.13 *Defense against claims for damages.* Persons complying with this part are entitled to the protection afforded by section 707 of the Defense Production Act of 1950, which provides in part that "No person shall be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from his compliance with a rule, regulation, or order issued pursuant to this act, notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid."

§ 10.14 *Records, reports and audits.* (a) From the date of issuance of this part, each person subject to its provisions shall retain in his possession the records which he customarily maintains of inventories, receipts, deliveries and use. This does not require any addition to present accounting records and methods and does not specify any particular accounting method.

(b) Persons subject to this part shall make such records and submit such reports to the National Production Authority as it shall require, subject to the terms of the Federal Reports Act.

(c) All records required shall be made available at the usual place of business where maintained, for inspection and audit by duly authorized representatives of the National Production Authority.

§ 10.15 *Applications for adjustment or exception.* Any person affected by any provision of this part may file an application for an adjustment or exception upon the ground that such provision works an exceptional and unreasonable hardship upon him not suffered generally by others in the same trade or industry or that its enforcement against him would not be in the interest of the national defense program. All such applications, as well as any other letters or questions, should be addressed to the National Production Authority, Washington 25, D. C., Ref: R–I.

§ 10.16 *Violations.* Any person who wilfully violates any provision of this part, or furnishes false information or conceals any material fact in the course of operation under it, is guilty of a crime and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to compel necessary adjustment of his inventories or to suspend his privilege of making or receiving further deliveries of materials subject to this part.

NOTE: All reporting and record-keeping requirements of this part have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This regulation shall take effect on September 18th, 1950.

NATIONAL PRODUCTION AUTHORITY,
[SEAL] WILLIAM H. HARRISON,
Administrator.

TABLE I—MATERIALS TO WHICH THIS REGULATION APPLIES

BUILDING MATERIALS

Portland cement.
Gypsum board, sheathing and lath.

CHEMICALS

Alcohol, industrial (ethyl alcohol).
Benzene (benzol).
Caustic soda, all grades, liquid and solid.
Chlorine, gaseous and liquid.
Glycerine, crude and refined.
Soda ash (sodium carbonate), all grades.

FOREST PRODUCTS

Lumber:
Softwood and hardwood, rough-sawed, dressed, or worked to a pattern, including: box, crates and package shook manufactured from sawed lumber; softwood cut stock, and hardwood small dimension stock; but not including railway cross ties, mine ties and hardwood flooring.
Softwood plywood:
Softwood plywood including: softwood plywood made in hardwood plywood mills; plywood which has a softwood face; and softwood plywood which has been overlaid with paper, plastic, metal, or other material, but not including hardwood veneer.
Wood pulp:

IRON AND STEEL

Iron:
Pig iron.
Gray iron castings, rough and semifinished; malleable iron castings, rough and semifinished.
Steel (Carbon and alloy, including stainless)
Ingots and semifinished steel, including skelp; steel castings, rough and semifinished; structural shapes and piling; plates; rails and track accessories; wheels and axles; bars, including reinforcing and cold finished bars; standard pipe and tubing; wire, wire rods and wire products; tin plate, terne plate and black plate; hot rolled sheet and strip; cold rolled sheet and strip; galvanized sheet and strip; electrical sheet and strip; and other mill shapes and forms.
Forgings, rough.
Iron and steel scrap.

METALS AND MINERALS

Aluminum:
Primary and secondary in crude form.
Semifabricated shapes: castings (including die); plate, sheet and strip; rolled structural shapes, rod, bar and wire; extruded shapes; tube blooms and tubings; powder, flake and paste.
All aluminum and aluminum base scrap containing commercially recoverable aluminum.
Columbium:
Ferro-columbium, potassium columbium fluoride, columbium oxide, and columbium carbide.
All scrap or secondary material containing commercially recoverable columbium.
Cobalt:
Cobalt, the element in any form and combination with other elements in which cobalt is an essential constituent, except: cobalt concentrates; cemented carbide tipped tools, cast cobalt-chrome-tungsten-molybdenum tools, alloy hard-facing welding rods and materials, and paints, varnishes, lacquers, inks, and similar products, containing cobalt driers.
All scrap or secondary materials containing commercially recoverable cobalt.
Copper:
Refined copper (fire refined and electrolytic).
Secondary copper and copper-base alloys.
Copper and copper base alloys: alloy plate, sheet and strip; alloy rod, bar and wire (including extruded shapes); alloy tube and pipe; unalloyed rod, bar and wire (including extruded shapes); unalloyed tube and pipe; copper wire and wire products; copper and copper-base alloy castings.
All copper and copper base alloy scrap containing commercially recoverable copper.
Magnesium:
Magnesium, primary and secondary ingots.
Semifabricated shapes.
All magnesium base alloy scrap containing commercially recoverable magnesium.

Manganese:
Manganese metal, ferro-manganese, spiegeleisen and all other compounds and alloys in which manganese is an essential and recognizable component.
All scrap and material containing sufficient manganese to be of commercial value.
Nickel:
Nickel, alloyed or unalloyed.
Imported nickel matte.
Nickel and nickel alloy, metal (cathode nickel, pigs, shot, and other primary forms).
Nickel and nickel alloy, secondary.
Nickel and nickel alloy, semifinished; bars, rods, tubes, sheet bar, ingot, blooms, billets, sheet strip and similar mill products not further manufactured.
All nickel and nickel base alloy scrap and nickel silver scrap containing commercially recoverable nickel.
Tin:
Tin, primary and secondary.
All tin and tin base alloy scrap containing commercially recoverable tin.
Tungsten:
Tungsten, in any form or shape into which it may be fabricated: except such finished forms as are fabricated for installation (without further processing) into electrical communication systems, incandescent lamps, and electronic equipment such as radio, radar and similar products.
Tungsten, ferro, metal powder and any other ferrous combination of the element tungsten in semimanufactured or manufactured form, excluding alloy steel, high speed steel and tool steel.
Tungsten, all nonferrous mixtures or alloys containing tungsten, prepared for any purpose requiring further processing, whether the same or manufactured by means of melting, pressing, sintering, brazing, soldering or welding, including but not limited to mixtures or alloys to be used in the production of tools and tool blanks or as hard facing materials; but not including any finished tools.
Tungsten, all chemical compounds having tungsten as a recognizable and essential component.
Tungsten, all scrap or secondary material containing commercially recoverable tungsten.
Zinc:
Zinc, slab (all grades).
Zinc, base alloy in crude form.
Zinc, dust and oxide.
Zinc, and zinc-base alloy scrap containing commercially recoverable zinc.
Nonferrous scrap not covered above.

RUBBER MATERIALS

Natural rubber, dry latex.
Synthetic rubbers, including latices, GR-S, butyl, neoprene, and N-types.

TEXTILE MATERIALS

Burlap (Hessian).
Cotton pulp.
High tenacity rayon yarn.
Nylon staple and nylon filament yarn.

[F. R. Doc. 50-8241; Filed, Sept. 18, 1950; 8:45 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 41—THE PRIVACY AND SAFEGUARDING OF THE MAILS

MAIL RECEIVED UNSEALED OR IN BAD ORDER; PARCELS

In § 41.15 *Mail received unsealed or in bad order* (39 CFR 41.15), amend paragraph (b) to read as follows:

(b) *Parcels.* (1) When a parcel in bad order is received in transit in a post office or by a postal transportation clerk, it will be endorsed "Received in Bad Condition at _____," and dated with an appropriate stamp. It will be reconditioned if necessary, and if improper handling on the part of a certain railroad employee, star route carrier, mail messenger, etc., contributed to the damage, a report of the essenial facts will be made on Form 5257 (No duplicate copy to be made) to the district superintendent, Postal Transportation Service, of the district in which the office discovering the damaged parcel is located. The same procedure will be followed at the post office of address before delivery, unless the parcel has already been endorsed "Received in Bad Condition at _____." Damage due to fires occurring in a storage car, railway post office car, or other Postal Transportation Service unit, except in joint stations, shall not be reported on Form 5257 when more than 10 parcels are involved, but general report thereof shall be made.

(2) Transfer clerks in railroad stations may open parcels at the rewrap table if necessary in order to obtain essential information for the complete preparation of Form 5257. Other postal transportation clerks may hand transfer clerks the parcel and a brief statement of facts written on a facing slip whenever a bad order parcel is handled under the same conditions mentioned above, and it is impossible to furnish all the information required on Form 5257 without opening the parcel.

(3) When a bad order domestic parcel is reconditioned at the post office of address, the clerk at the rewrap table will fill out card Form 1833 and notify the office of mailing when the damage can be attributed to improper preparation for mailing, except that not more than 10 of these forms will be filled out in any one day. These forms should be completed at different times on different days in order that they may be representative of all incoming mails. The contents will be appropriately described on this form in a brief manner, such as, eggs, hardware, printed matter, clothing, rubber goods, glassware, books, and the like.

(4) When Form 1833 is received at the office of mailing, and the office is of the first class, it will be referred to a designated supervisor for corrective action with the mailer. Corrective action may be in the form of a brief letter, a telephone call, or a personal visit to a firm when three or more forms have been received. Corrective action will be the responsibility of the postmaster at all other class post offices. Separate alphabetical firm and private individual files will be maintained at first-class post offices. These forms will be retained 6 months at all post offices.

NOTE: See §§ 59.84 and 59.86 of this chapter as to registered matter received unsealed or in bad order.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 50-8134; Filed, Sept. 18, 1950; 8:45 a. m.]

PART 45—DEAD MAIL MATTER

WAR SAVINGS SECURITIES

In § 45.11 *Disposal of letters containing valuables* (39 CFR 45.11) amend paragraph (c) to read as follows:

(c) *War savings securities.* Any war savings securities, either registered or unregistered, which shall be found in unclaimed letters, or be found loose in the mails, in railway postal cars, letter boxes, or on post office premises, shall, with the single exception hereinafter noted, be delivered to the Bureau of Finance for disposition, the proceeds of which shall be deposited as Miscellaneous Receipts of the Postal Service. The single exception referred to is that securities of the 1918–21 series affixed to a certificate or card on which the name of a person has been inscribed, shall be transmitted to the Secretary of the Treasury, Division of Loans and Currency, Washington, D. C., for disposition.

(R. S. 161, 396, 3938, as amended, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369, 39 U. S. C. 408)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 50-8139; Filed, Sept. 18, 1950; 8:46 a. m.]

PART 97—STAR, STEAMSHIP, AND STEAMBOAT ROUTES, AND VEHICLE SERVICE IN CITIES

PART 135—GENERAL

NEW CONTRACTS; RETIRED BONDS

a. In § 97.29 *New contracts* (39 CFR 97.29), amend the first paragraph of paragraph (b) to read as follows:

(b) *With present contractors or subcontractors.* The Postmaster General may, in his discretion and in the interest of the postal service, (1) notwithstanding the provisions of section 3949 of the Revised Statutes, as amended (39 U. S. C. 429) (§ 97.28), by mutual agreement with the holder of any star-route contract, renew such contract at the rate prevailing at the end of the contract term for additional terms of four years with such bond as may be required by the Postmaster General, or (2) in any case in which a contractor has sublet the route in accordance with law and does not indicate in writing to the Postmaster General at least ninety days before the end of the contract term that he desires to renew the contract, the Postmaster General may enter into a contract upon the same terms with such bond as may be required by the Postmaster General, without advertising the route for bids, with a subcontractor then operating the route who has performed the services required under the contract to the satisfaction of the Postmaster General for a period of at least one year. Any such contract may be terminated at the end of any four-year term at the option of the Postmaster General or the contractor or terminated at any time by operation of any existing law.

(R. S. 3951, as amended; 39 U. S. C. 434; Pub. Law 577, approved June 27, 1950)

b. In § 135.15 *Bonds of carriers in the Rural Delivery Service* (39 CFR 135.15; 15 F. R. 1891), amend paragraph (e) to read as follows:

(e) *Retired bonds.* All retired bonds should be kept on file by the disbursing postmaster and under no circumstances returned to the sureties. Such bonds may be disposed of in accordance with the provision of § 6.21, Postal Laws and Regulations, five years after the services of the employee have been terminated.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] J. M. DONALDSON, *Postmaster General.*

[F. R. Doc. 50-8135; Filed, Sept. 18, 1950; 8:46 a. m.]

PART 114—TREATMENT OF MAILS: POSTAGE REFUNDS: INTERNATIONAL REPLY COUPONS: DISPOSITION OF FOREIGN DEAD MATTER

WAYBILLS

In § 114.21 *Waybills* (39 CFR 114.21), amend paragraghs (a) and (b) to read as follows:

§ 114.21 *Waybills*—(a) *For closed foreign mails.* Inland waybills shall be prepared and shall accompany all diplomatic pouches in transit through the United States. Inland waybills shall also be prepared for ordinary closed mails for foreign countries made up at United States exchange offices in transit through the United States to ports of exit. Any such registered closed mails shall be billed on manifold registry bills. Closed mails of foreign origin and destination in transit through the United States (foreign closed transit mails) shall not be accompanied by waybills. Any such registered closed transit mails shall be billed on manifold registry bills.

(b) *Preparation and checking.* The inland waybills mentioned in paragraph (a) of this section (except those covering diplomatic pouches) shall not accompany the mails but shall be forwarded by air direct by the office preparing the dispatches to the post office of the port of exit and upon arrival there these closed mails shall be checked with the waybills. The inland waybills and the manifold registry bills mentioned in paragraph (a) of this section covering the closed mails made up at United States exchange offices in transit through the United States to ports of exit, shall include the net weight of each class of mail (letters, prints, and parcel post separately) for each country of destination, as well as the total number of sacks for each country comprising the dispatch. Mails exchanged between Canada, Cuba, and Mexico (mails from any of which countries, when addressed to either of the others) will pass through the United States under the original waybill prepared by the foreign office of origin and will be checked against such waybills.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] J. M. DONALDSON, *Postmaster General.*

[F. R. Doc. 50-8136; Filed, Sept. 18, 1950; 8:46 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

GERMANY, PARAGUAY, AND SWEDEN

a. In § 127.264 *Germany* (39 CFR 127.264) make the following changes:

1. Amend paragraph (a) (7) by deleting subdivision (iii) and by amending subdivision (vii) to read as follows:

(vii) Box numbers may be used as part of the address provided the name of the box holder is shown.

2. Amend paragraph (a) (8) by deleting subdivision (vii) and by amending subdivision (xiii) to read as follows:

(xiii) To the Soviet Zone, including the Soviet Sector of Berlin, the following are prohibited in addition to the foregoing:

Photographic and microphotographic films. Cigarettes and other tobacco products.

b. In § 127.326 *Paraguay* (39 CFR 127.326) amend paragraph (b) (6) to read as follows:

(6) *Observations.* (i) Addresses in Paraguay must present import permits in order to effect the customs clearance of all parcels, regardless of value. Parcels are accepted for mailing with the understanding that responsibility for producing the required import permits rests with the addressee.

(ii) In the case of parcels addressed in care of banks or other organizations, the second addressee shall be advised concerning the arrival of the parcel, but he shall not have authority to claim delivery except upon written authorization from the first addressee or from the sender; in the latter case, the sender shall take steps, through the administration of the country of origin of the parcel, for its delivery to the second addressee.

c. In § 127.359 *Sweden* (39 CFR 127.359) amend subdivision (iv) (*d*) of paragraph (b) (4) to read as follows:

(*d*) Tobacco in any form, unless addressed to the Tobacco Monopoly. However, manufactured tobacco may be imported for the Royal Family and by envoys accredited to the Swedish Court for personal use, and by authorized tobacco dealers. Machines, tools, and paper for tobacco manufacture require government authorization to be imported.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] J. M. DONALDSON, *Postmaster General.*

[F. R. Doc. 50-8138; Filed, Sept. 18, 1950; 8:46 a. m.]

PART 151—PROCEDURE BEFORE THE SOLICITOR

Correction

In Federal Register Document 50-7969, published at page 6081 in the issue for Saturday, September 9, 1950, the following change should be made:

The sixth line of § 151.10 (b) should read "the event of the refusal by the respond-".

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

[S. O. 865, Amdt. 1]

PART 95—CAR SERVICE

DEMURRAGE ON FREIGHT CARS

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 13th day of September A. D. 1950.

Upon further consideration of Service Order No. 865 (15 F. R. 6197), and good cause appearing therefor: It is ordered, that:

Section 95.865 *Demurrage on freight cars*, of Service Order No. 865 be, and it is hereby further amended by substituting the following paragraph (d) for paragraph (d) thereof:

(d) *Effective date.* This section shall become effective at 7:00 a. m., September 20, 1950, and the provisions of this section shall apply to all chargeable detention occuring on and after the effective date and hour hereof.

It is further ordered, that a copy of this order and direction be served upon the State railroad regulatory bodies of each State, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C. and by filing it with the Director, Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interprets or applies sec. 1, 24 Stat. 379, as amended; 49 Stat. 379, as amended; 49 U. S. C. 1)

By the Commission, Division 3.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8154; Filed, Sept. 18, 1950; 8:49 a. m.]

[S. O. 866, Amdt. 1]

PART 95—CAR SERVICE

RAILROAD OPERATING REGULATIONS FOR FREIGHT CAR MOVEMENT

At a session of the Interstate Commerce Commission, Division 3, held at

its office in Washington, D. C., on the 13th day of September A. D. 1950.

Upon further consideration of Service Order No. 866 (15 F. R. 6198), and good cause appearing therefor: It is ordered, that:

Section 95.866 *Railroad operating regulations for freight car movement*, of Service Order No. 866 be, and it is hereby further amended by substituting the following paragraph (d) for paragraph (d) thereof:

(d) *Effective date.* This section shall become effective at 7:00 a. m., September 20, 1950.

It is further ordered, that a copy of this order and direction shall be served upon the State railroad regulatory body of each State and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interprets or applies sec. 1, 24 Stat. 379, as amended; 49 U. S. C. 1)

By the Commission, Division 3.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8155; Filed, Sept. 18, 1950; 8:49 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 51]

UNITED STATES STANDARDS FOR APPLES

EXTENSION OF TIME

Notice is hereby given of the extension until March 31, 1951, of the period of time within which written data, views, and arguments should be submitted by interested parties for consideration prior to the issuance of United States Standards for Apples.

The proposed standards are set forth in the notice (F. R. Doc. 50-6758; F. R. 4950) which was published in the FEDERAL REGISTER on August 2, 1950.

Done at Washington, D. C., this 12th day of September 1950.

[SEAL] JOHN I. THOMPSON, *Assistant Administrator, Production and Marketing Administration.*

[F. R. Doc. 50-8168; Filed, Sept. 18, 1950; 8:52 a. m.]

[7 CFR, Part 51]

UNITED STATES CONSUMER STANDARDS FOR APPLES

EXTENSION OF TIME

Notice is hereby given of the extension until March 31, 1951, of the period of time within which written data, views, and arguments should be submitted by interested parties for consideration prior to the issuance of United States Consumer Standards for Apples.

The proposed standards are set forth in the notice (F. R. Doc. 50-6760; 15 F. R. 4953) and amendment (F. R. Doc. 50-7318; F. R. 5618) which were published in the FEDERAL REGISTER on August 2, 1950, and August 22, 1950, respectively.

Done at Washington, D. C., this 13th day of September 1950.

[SEAL] JOHN I. THOMPSON, *Assistant Administrator, Production and Marketing Administration.*

[F. R. Doc. 50-8169; Filed, Sept. 18, 1950; 8:52 a. m.]

[7 CFR, Part 919]

[Docket No. AO-220]

HANDLING OF IRISH POTATOES GROWN IN UPSTATE NEW YORK

FINDINGS AND DETERMINATIONS ON RESULTS OF REFERENDUM ON PROPOSED MARKETING ORDER

Pursuant to Public Act No. 10, 73d Congress (May 12, 1933) as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051), and the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR, Part 900), a public hearing was held at Syracuse, New York, on May 15-17, 1950, pursuant to notice thereof which was published in the FEDERAL REGISTER (15 F. R. 2364), upon a proposed marketing agreement and a proposed marketing order regulating the handling of potatoes grown in New York (except the counties of Suffolk, Nassau, Queens, Kings, New York, Bronx, and Richmond). The recommended decision (15 F. R. 4399) of the Assistant Administrator, Production and Marketing Administration, and the decision (15 F. R. 5095) of the Secretary of Agriculture, setting forth a proposed marketing agreement and order as the appropriate and detailed means for effectuating the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, were published in the FEDERAL REGISTER on July 12 and August 8, 1950, respectively. The Secretary also issued an order (15 F. R. 5101) directing that a referendum be conducted among producers of potatoes in New York (except the counties of Suffolk, Nassau, Queens, Kings, New York, Bronx and Richmond) to determine whether the requisite majority of such producers favor the issuance of the proposed marketing order.

It is hereby found and determined, on the basis of the results of the referendum conducted pursuant to the aforesaid referendum order, that the issuance of the proposed marketing order regulating the handling of Irish potatoes grown in New York (except the counties of Suffolk, Nassau, Queens, Kings, New York, Bronx, and Richmond), is not approved or favored by the requisite percentage of producers or of the total volume of production voting in the aforesaid referendum.

It is hereby further determined that the proposed marketing order set forth in the Secretary's decision of August 3, 1950 (15 F. R. 5095), cannot be made effective because of the failure of producers to approve or favor its issuance by the requisite percentage of producers or of the total volume of production voting in the referendum conducted among such producers.

Done at Washington, D. C., this 14th day of September 1950.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

[F. R. Doc. 50-8188; Filed, Sept. 18, 1950; 8:56 a. m.]

[7 CFR, Part 934]

[Docket No. AO-83 A 14]

HANDLING OF MILK IN LOWELL-LAWRENCE, MASS., MARKETING AREA

DECISION WITH RESPECT TO PROPOSED AMENDMENT TO TENTATIVE MARKETING AGREEMENT, AND TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Lawrence, Massachusetts, on June 26, 27 and 28, 1950, pursuant to notice thereof which was issued on June 13, 1950 (15 F. R. 3940).

A recommended decision and opportunity to file written exceptions with respect to the issues raised at the aforesaid public hearing was filed with the Hearing Clerk, United States Department of Agriculture, on August 23, 1950 (15 F. R. 5762). Exceptions have been filed to that recommended decision and were considered in arriving at the findings and conclusions contained herein. The material exceptions are discussed specifically in the findings and conclusions with respect to the points to which such exceptions refer. However, to the extent that the findings and conclusions contained

herein are at variance with any exception pertaining thereto, such exception is overruled.

The material issues of record related to:

(a) Whether the payments to producers should be blended in a market-wide uniform price.

(b) The provisions to be included in an order providing for a market-wide pool. The evidence on this issue involved:

(1) Definition of "producer," "handler," "pool plant," "city plant," "country plant," "outside milk," "exempt milk" and other terms.

(2) Assignment of classified milk and milk products to receipts from producers and other sources.

(3) Determination of price differentials applicable to Class I and Class II milk at various distances from the market.

(4) Determination of the uniform price to producers with appropriate differentials.

(5) Basis of assessment on milk received from another Federal order market.

Findings and conclusions. Upon the basis of the evidence adduced at the hearing and on the record thereof, it is hereby found and concluded that:

(a) *Market-wide or dealer pool.* The payments by handlers for milk purchased from producers should be blended into a composite uniform price reflecting the value of milk disposed of by all handlers in the market. The dealer pool in the market maintained reasonably uniform prices during the war years when milk supplies were generally short in the region. During those years a high percentage of the milk delivered by producers was used in Class I by all handlers. With the recent increase in supplies of milk in the Lowell-Lawrence market and in the surrounding area, handlers with a relatively high Class I utilization have been able to attract producers from the fringes of the supply area who previously had received prices reflecting considerably more excess milk. Meanwhile, producers nearer to the market have at times been unable to find a market for their milk except as excess milk through the facilities of the local producers cooperative association.

The incentive on the part of handlers purchasing milk on a dealer pool basis to reach out to distant points to purchase milk lies in the possibility that the handler can obtain his entire requirements for Class I use from a region in which producers generally receive a surplus price for a substantial part of their milk deliveries. Producers in such an area are willing to sell to the high Class I use handler even though that handler may charge excessive hauling rates for farm to plant transportation. The disparity in prices paid producers by different handlers in the Lowell-Lawrence market has created a situation in which unwarranted variations in prices paid to farmers for milk results in unequal cost of milk to handlers and consequent instability in the market.

The evidence in the record indicates that handlers have been reaching out for milk supplies beyond the former boundaries of the milkshed. Some of the expansion is necessary to meet increasing fluid milk requirements in the market. However, the record indicates that some handlers purchasing milk at certain points enjoy a substantial competitive advantage over other milk buyers.

The proposed market-wide pool will provide that all handlers in the Lowell-Lawrence market pay a uniform price to producers at similar locations.

The marked difference between the uniform blend price paid to producers supplying the Boston market and the prices paid to certain dealers in the Lowell-Lawrence market invites the Lowell-Lawrence handler to impose on his producers higher hauling charges. The Boston and Lowell-Lawrence milk supply areas are intermingled and the larger Boston market draws considerably more milk from this overlapping area. The proposed market-wide pool provisions are designed to bring about alignment of prices paid producers at competitive points in each of these markets.

(b) From the evidence it is concluded that the proposed amendment providing for a market-wide pool as hereinafter set forth, meets the needs of the Lowell-Lawrence market and will tend to effectuate the declared policy of the act. The following findings and conclusions are made with respect to the applicable provisions of the marketing agreement and order:

(1) *Definitions.* The term "producer" should be defined in order to identify those dairy farmers who are considered the regular source of supply for the market and to whom the uniform market blended price should be paid. Determination of producer status should be made on the basis of delivery of milk from the producer's farm to a pool plant. Dairymen who deliver milk to pool plants in such a way that the milk is not available regularly to the market should be identified as "dairy farmers for other markets." The proposed method of determining which plants are pool plants is discussed later in this section.

The term "handler" shall be defined so as to identify the operator of a plant as the person responsible for reporting the receipts and use of milk and for making required payments on such milk. The proposed "pool handler" definition fixes this responsibility for payments to producers on the operator of a pool plant at which the milk is received from farmers. The exception to permit handlers to divert milk from the plant at which it is regularly received to another plant temporarily although the producer is maintained on the payroll of the diverting plant should be continued. The market administrator should be advised of the diversion promptly. This enables the administrator to verify the diversion and maintain the necessary check on the weights and tests of milk diverted.

All bulk milk delivered from a farm to a handler's plant, regardless of whether the dairy farmer is also a handler, should be regarded as a delivery by a dairy farmer. It was suggested at the hearing that dairy farmers who are also handlers be permitted to deliver a limited quantity of milk to another handler for processing on a price exempt basis. Several producers who have milk processed by handlers on an exempt basis at the present time opposed any limitation on this privilege.

The proposed market-wide pool provides that all producers delivering bulk milk to handlers in the market receive the same uniform blended price. Several dairy farmers would be required to accept a blended price under this plan whereas they have been receiving the full Class I price.

None of these dairy farmers or any other dairy farmers or handlers indicated at the hearing any objection to the exemption from pooling requested by the dairy farmers who deliver bulk milk to handlers for processing and return to the same farmers. The number of persons and the quantity of milk affected by this type of transaction is small and is apparently considered no threat to market stability by the persons who would participate in the proposed market pool. It is concluded, therefore, that dairy farmers who deliver milk to handlers for packaging and return to them be exempt at this time from pooling on that quantity of milk. If the exempt milk does grow to a volume which threatens market stability, we can expect those producers and handlers who are participants in the market pool to request immediate amendment to the order to limit the exemption.

The term "exempt milk" should be defined to identify the quantity of milk packaged by a handler for a dairy farmer.

The definition of "pool plants" as those which meet specific requirements is necessary to establish their relation to the market as a regular or reserve supply. The provisions governing pool plant status determine which dairy farmers are to be included in the market-wide pool.

Pool plant status was proposed for all city plants provided that 10 percent of the plant's total receipts of fluid milk products were disposed of in the marketing area, and for all city plants operated by cooperative associations of producers. The 10-percent requirement for pooling permits fringe area handlers to avoid pooling if they have only a small part of their business in the area. Applicable licensing requirements of the local health authorities are a further condition of pooling for all plants defined as city or country plants. The proposed method for qualifying city plants is similar to that effective in the Boston, Springfield, and Worcester markets. No objection to these requirements for qualification was indicated at the hearing except with reference to the inclusion in this category of one plant operated by a cooperative association at a location about 30 miles from the cities of Lowell and Lawrence. The definition proposed herein does not include as a city plant this particular plant. The only plant of a cooperative association which would be covered by this provision is a plant located within the marketing area and used primarily to process surplus milk diverted to it by handlers.

The proposed basis for qualifying city plants as pool plants should be adopted.

The supply area for the Lowell-Lawrence market is intermingled with the Boston supply area both near the market and in the country plant area. Country plants supplying other New England markets are located in the same general area. Since the number of milk plants located within an economic distance for shipment of milk to the Lowell-Lawrence market far exceeds the number required to provide an adequate supply to consumers in the area, it is important to establish standards which will identify a plant which is primarily supplying the Lowell-Lawrence Class I milk market.

One proposal made at the hearing would qualify country plants substantially on the basis that 50 percent of the receipts from dairy farmers at such plant were shipped to city plants or directly to consumers in the market area during any of the months of October through February. Such a requirement would operate to include in the pool only country plants which are needed to supply Class I milk to the market in each of these five months to the extent of 50 percent of the plant receipts from dairy farmers.

Several witnesses opposed the condition that a country plant be required to ship 50 percent of its total receipts to the Lowell-Lawrence market during each of the months October through February in order to maintain pool plant status. One handler demonstrated that a plant which had shipped substantial quantities to the market on a regular basis would have been unable to qualify continuously under the 50-percent rule.

An alternative proposal that the handler satisfy a minimum requirement of 50 percent Class I milk at all plants was proposed by this handler. The counter proposal appears to contemplate a minimum Class I use which a handler would have to attain in order to participate in the pool. Utilization of only 50 percent of total milk receipts in Class I is far below the market average and appears to be unreasonably low except for a plant which functions only as a reserve supply for the market. The shipping requirement rather than the handler's Class I utilization appears to be the more reasonable method of determining which plants belong in the market pool.

The 50-percent figure may impose at times on certain handlers an obligation to ship unnecessary quantities of milk to the market in order to maintain qualification. Proponents of the 50-percent proposal observed that the handler could split his shipments with sales to the Springfield and Worcester markets. The reasonableness of this alternative is questionable in view of the distances between the market and the fact that there is now no plant regularly supplying the Lowell-Lawrence market and either the Worcester or the Springfield market. Certain plants do supply the Lowell-Lawrence market and the Boston market but such plants are either Boston pool plants or receive only a Class II credit for milk sent to Boston.

In order to maintain price alignment between the Lowell-Lawrence and Boston markets, it is necessary to assure continued participation in the Lowell-Lawrence market of at least as much country plant milk as was supplied to the market during the first five months of 1950. In order to assure the continued inclusion in the Lowell-Lawrence market of adequate country plant supmilk at all plants in the region, the qualifying shipment percentage should be 30 percent for the months October through February. Plants which attain pool status by making such shipments in the months of seasonal short supply should be permitted to retain pool status in the months March through September upon the request of the handler who operates the plant.

Exceptions were filed to the finding that the qualifying percentage should be 30 percent rather than 50 percent on the grounds that handlers would be in a position to withhold from the market 70 percent of the milk receipts at the country plant even though the milk was needed for fluid sales in the city. If the order as a whole encouraged handlers to withhold milk which was needed for Class I uses at the city market, it would be necessary to revise immediately the pricing provisions which gave rise to such a situation. The withholding from the fluid market of 50 percent of the receipts at a plant would be nearly as serious as the withholding of 70 percent. The remedy in such a situation should remove the incentive for withholding needed supplies of milk regardless of the shipping percentage.

The term "city plant" is needed to identify the nearby plants which have direct distribution to consumers in the area and which are located within the area of direct distribution from plants located in the marketing area. Plants located within 10 miles of the boundaries of the marketing area should be designated as "city plants." This area includes about the same territory as that covered by the current provisions of the order and will establish a fringe area of equal width at all points surrounding the area.

It was proposed at the hearing that the "city plant" area be extended to a 30-mile radius measured from the City Halls in Lowell and Lawrence. This proposed extension of the city plant area was intended to include a plant located at Manchester, New Hampshire, which disposed of bulk and packaged fluid milk products to handlers in the marketing area. This plant has retail distribution in the Manchester area in sufficient quantity that it could not qualify for the Lowell-Lawrence pool under a requirement that 50 percent of its total receipts be shipped to the Lowell-Lawrence market during each of the months October through February. This plant, as its operations were described in the record, functions more like a country plant than a city plant with respect to the Lowell-Lawrence market. The record indicates that the plant could have qualified in 1949 and 1950 as a country plant under a requirement that 30 percent be shipped in the qualifying months to the Lowell-Lawrence market.

The 30-mile radius would include urban areas such as Fitchburg, Leominster and Framingham not contiguous to the Lowell-Lawrence area in addition to Manchester. These noncontiguous urban areas are served by milk handlers who do not distribute regularly in the Lowell-Lawrence market. The privilege of participation in the market pool should not be extended to such handlers on the basis of only 10 percent of their sales being made in the area. The requirement that a "city plant" be located within 10 miles of the market area will extend that privilege to plants in a small area surrounding the market without including any large urban area which is not directly bordering on the defined marketing area.

The term "country plant" is needed for convenience in referring to plants which are not defined as "city plants."

The definition of "outside milk" proposed at the hearing and the proposed payments into the pool on outside milk would assure that the Class I price for all Class I milk disposed of in the marketing area was paid to farmers supplying the Lowell-Lawrence Market for another Federal order market where such payment can be verified. It would permit also the disposition of surplus milk to plants in the marketing area or small quantities of milk to consumers without requiring the handler who made the disposition to pool all receipts at his plant. Milk disposed of in the marketing area from plants regulated by another Federal order would be subject to a payment into the Lowell-Lawrence pool only if the price applicable under the Lowell-Lawrence order were higher than the price applicable under the other Federal order.

(2) *Assignment of classified products to various receipts.* No change should be made in the general plan of milk classification. In adapting the order to a market-wide pool, it is necessary to provide specifically for the classification of milk received at pool plants from handlers regulated by other Federal orders. It is desirable to establish a system of assignment of receipts by each handler to allocate the volumes of Class I and Class II utilization between producer milk and nonproducer milk handled at the same plant.

This system of assignment of Class I milk to the plants of each handler, with the bulk of the milk assigned to nearby plants, affects the amount deducted from the value of the pool in the form of transportation differentials. It appears reasonable to require handlers to pay for Class I milk on the basis of most economical movement of such milk to the market. However, since certain country plants regularly supply Class I milk to markets other than Lowell-Lawrence, such direct sales of Class I milk from country plants should be assigned to the country plant from which the disposition was made.

(3) *Differentials applicable to class prices at various locations.* The schedule of price differentials on Class I milk proposed for plants located beyond 40 miles from the market is identical to the schedule of rates effective in the Springfield and Worcester markets. The rates are slightly higher than those established for the Boston market in recognition of the higher cost of transporting smaller quantities to these smaller markets.

Each of these markets is slightly nearer the country milk plant supply area and thus the higher unit cost of transportation is offset by the shorter haul with resulting comparable cost of milk at the same country point.

The present order provides for a reduction of 17 cents in established f. o. b. city prices for all milk received at plants located 21–40 miles from the market. The two cooperative associations, one of which is a cooperative handler whose plant is located outside the city plant area but within 40 miles of Lawrence, proposed that the differential be reduced from 17 cents to 10 cents. However, the representative of the cooperative association handler operating the plant testified that the established class prices less the 17 cents allowed in the present order had not been returned to member producers in current monthly payments during recent months. Since the testimony of the cooperative handler affected by this differential indicates that the cooperative has been deducting a sum greater than 17 cents, there is no reason to believe that the cooperative would not continue to deduct from current payments more than the proposed 10-cent differential. In effect, therefore, the proposed reduction in the differential in this nearby country zone would apply only to handlers who are not cooperative associations.

The 21–40 mile area from the Lowell-Lawrence market lies within the country plant area under the Boston milk order. The differential established under the Boston order for the plant at Manchester, New Hampshire, which is located in this overlapping area would be 38.5 cents less than the Boston and Lowell-Lawrence city plant prices. The price plan proposed herein is designed to bring about reasonable alignment at receiving plants of prices under the Boston and Lowell-Lawrence orders so that the incentive to shift producers or plants from one market to the other is minimized. Increasing the difference in Class I prices applicable in this nearby country plant area would be a move in the opposite direction. Therefore, the 17-cent differential should be continued on Class I milk received at the country plants located less than 41 miles from the City of Lawrence.

The Class II differential for country plants located less than 41 miles from the market should be 2 cents under the proposed schedule as it is under the present order. Although the hearing proposal called for no differential for plants in this zone, no evidence was presented to support a change in the rate.

The mileage distances from the market should be measured from the City Hall in Lawrence. The single basing point in Lawrence rather than the dual points in Lowell and Lawrence makes no significant difference in the zone location of plants or producers now supplying the market.

(4) *Uniform price to producers.* Provision should be made for a market-wide type of pool in order that all producers delivering milk to all handlers may receive a uniform price for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered. This method of paying producers will require a producer settlement fund for making adjustments in payments by handlers so that the total sum paid by each handler shall equal the value of milk received by him and utilized in the classes for which prices are established by the proposed marketing agreement and order.

The uniform price paid to producers should reflect differentials for the location at which the milk is delivered and for the generally higher prices paid to producers located near the sales area.

Differentials which vary with the distance from the market of the plant at which a producer delivers his milk reflect the varying value of the product at different locations. To reflect this value difference, payments to producers in the Lowell-Lawrence area and in other New England markets are modified according to the schedule of differentials applicable to the Class I price. The amount of such differentials is discussed in connection with the previous issue.

A system of differentials to be paid producers located near to the marketing area similar to the plan in effect under the Boston Federal milk order was supported by the producers who proposed the amendment providing for a market-wide type of pool.

Most of the dairy farms in Massachusetts are close to urban centers. This probably explains why prices to Massachusetts farmers for milk sold wholesale average considerably more than the prices paid to Maine, New Hampshire and Vermont producers. The difference is usually more than transportation cost alone.

The nearby-differential plan has been a part of the payment plan in the Boston milk order for many years. The nearby-differential area for the Boston market completely surrounds the Lowell-Lawrence market. Producers in the area need not accept a price less than the Boston price including the nearby differential. The proposed differential plan is necessary in the Lowell-Lawrence market to reflect this customary differential.

The first differential area, or 46-cent zone, would extend 40 miles from the Lowell-Lawrence market and would overlap the Boston 41–80 mile zone at certain points. Certain witnesses at the hearing contended that the boundary of this differential area should correspond to the similar boundary of the 40-mile area from the Boston market. It is true that the Lowell-Lawrence handler will have a competitive buying advantage in this overlapping area. However, the record indicates that in this area there are many farms close together all supplying the Lowell-Lawrence market. No group of producers shipping to the Boston market was described. This is a normal supply area for the Lowell-Lawrence market and should continue to supply that market predominantly.

It was proposed and appears reasonable that the arc outlining the 80-mile distance from Boston should be used to measure the outside boundaries of the intermediate 23-cent differential zone.

Payments to producers should be made twice monthly with the option on the part of the handler to make a total payment in one amount not later than the 17th day after the end of the month. If the handler does not elect to make a final payment as early as the 17th day of the month following that in which the milk is delivered, he must make an advance payment on or before the 10th day after the end of the month in which the milk is delivered and the final payment on the 25th day after the end of the month of delivery. This practice is similar to that effective in other Federal order markets in New England.

(5) *Basis of assessment.* The basis of assessment should be modified to provide for assessing milk received from other Federal order plants in an amount equal to the assessment cost under the Lowell-Lawrence order less the assessment charged under the other Federal order. Other Federal order milk requires the additional expenditure of administrative funds for verification of handlers' reports. This added cost should not be imposed on handlers who purchase milk from producers but should be borne by handlers who purchase other Federal order milk.

Renumbering. The amendment includes in addition to the substantive changes discussed in this decision republication of the entire order to permit renumbering the sections thereof and the redesignation of section headings in compliance with the applicable FEDERAL REGISTER regulations (1 CFR Part 1).

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for such milk, and the minimum prices specified in the proposed marketing agreement and in the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed marketing agreement and the order, as amended and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and are applicable only to persons in the respective classes of industrial and commercial activity specified in the said marketing agreement upon which a hearing has been held.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Milk in the Lowell-Lawrence, Massachusetts, Marketing Area," and "Order Amending the Order, as Amended, Regulating the Handling of Milk in the Lowell-Lawrence, Massachusetts, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the

foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order, as amended, and as hereby proposed to be further amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 14th day of September 1950.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

Order,[1] *Amending the Order, as Amended, Regulating the Handling of Milk in the Lowell-Lawrence, Massachusetts, Marketing Area*

§ 934.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary to and in addition to the findings and determinations made in connection with the issuance of this order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and orders (7 CFR Part 900), a public hearing was held at Lawrence, Massachusetts, on June 26, 27, and 28, 1950, upon certain proposed amendments to the tentatively approved marketing agreement and to the order, as amended, regulating the handling of milk in the Lowell-Lawrence, Massachusetts, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as amended and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supplies of and demand for milk in the said marketing area and the minimum prices specified in the order, as amended and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which hearings have been held.

(b) *Additional findings.* (1) It is hereby found that a pro rata assessment of handlers on the basis and at the rate set forth in § 934.71, as amended, and as hereby further amended will provide the funds necessary for the maintenance and functions of the market administrator in the administration of this order and such assessment is approved.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Lowell-Lawrence, Massachusetts, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby further amended; and the aforesaid order, as amended, is hereby further amended to read as follows:

DEFINITIONS

§ 934.1 *General definitions.* (a) "Act" means Public Act No. 10, 73d Congress, as amended and reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

(b) "Lowell-Lawrence, Massachusetts, marketing area," also referred to as the "marketing area," means the territory included within the boundary lines of the following Massachusetts cities and towns:

Andover.	Methuen.
Billerica.	North Andover.
Chelmsford.	Tewksbury.
Dracut.	Tyngsboro.
Lawrence.	Westford.
Lowell.	

(c) "Order," used with the name of a marketing area other than the Lowell-Lawrence, Massachusetts, marketing area, means the order issued by the Secretary regulating the handling of milk in the other marketing area.

(d) "Month" means a calendar month.

§ 934.2 *Definitions of persons.* (a) "Person" means any individual, partnership, corporation, association, or any other business unit.

(b) "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States who is, or who may hereafter be, authorized to exercise the powers and perform the duties of the Secretary of Agriculture.

(c) "Dairy farmer" means any person who delivers bulk milk of his own production to a plant.

(d) "Dairy farmer for other markets" means any dairy farmer whose milk is received by a handler at a pool plant during the months of March through September from a farm from which the handler, an affiliate of the handler, or any person who controls or is controlled by the handler, received nonpool milk on more than 3 days in any one of the preceding months of October through February, except that the term shall not include any person who was a producer-handler during any of the preceding months of October through February.

(e) "Producer" means any dairy farmer whose milk is delivered from his farm to a pool plant, except a dairy farmer for other markets and a dairy farmer with respect to exempt milk delivered. The term shall also include a dairy farmer who ordinarily delivers to a handler's pool plant, but whose milk is diverted to another plant, if the handler, in filing his monthly report pursuant to § 934.30, reports the milk as receipts from a producer at such pool plant and as moved to the other plant. The term shall not apply to a dairy farmer who is a producer under the Boston, Worcester, or Springfield orders, with respect to milk diverted from the plant subject to the other order to which the dairy farmer ordinarily delivers.

(f) "Association of producers" means any cooperative marketing association which the Secretary determines to be qualified pursuant to the provisions of the act of Congress of February 18, 1922, known as the "Capper-Volstead Act", and to be engaged in making collective sales or marketing of milk or its products for the producers thereof.

(g) "Handler" means any person who in a given month operates a pool plant or any other plant from which fluid milk products are disposed of, directly or indirectly, in the marketing area.

(h) "Pool handler" means any handler who operates a pool plant.

(i) "Producer-handler" means any person who is both a handler and a dairy farmer, and who receives no milk other than exempt milk from dairy farmers except producer-handlers.

(j) "Buyer-handler" means any handler who operates a bottling or processing plant from which more than 10 percent of his total receipts of fluid milk products other than cream are disposed of by him as Class I milk in the marketing area, and whose entire supply of fluid milk products is received from other handlers.

(k) "Dealer" means any person who engages in the business of distributing fluid milk products, or manufacturing milk products, whether or not he disposes of any fluid milk products in the marketing area.

(l) "Consumer" means any person to whom fluid milk products are disposed of, except a dealer. The term "consumer" includes, but is not limited to, stores, restaurants, hotels, bakeries, hospitals and other institutions, candy manufacturers, soup manufacturers, livestock farmers, and similar persons who are not necessarily the ultimate users. The term also includes any dealer in his capacity as the operator of any of these establishments, and in connection with any other use or disposition of fluid milk products not directly related to his operations as a dealer.

§ 934.3 *Definitions of plants.* (a) "Plant" means the land, buildings, surroundings, facilities, and equipment, whether owned or operated by one or more persons, constituting a single oper-

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

ating unit or establishment for the receiving, handling, or processing of milk or milk products.

(b) "Receiving plant" means any plant currently used for receiving, weighing or measuring, sampling, and cooling milk received there directly from dairy farmers' farms and for washing and sterilizing the milk cans in which such milk is received, and at which are currently maintained weight sheets or other records of dairy farmers' deliveries.

(c) "Pool plant" means any receiving plant which, in a given month, meets the conditions and requirements set forth in §§ 934.20, 934.21 and 934.22 for being considered a pool plant in that month.

(d) "Regulated plant" means any pool plant; any pool handler's plant which is located in the marketing area and from which Class I milk is disposed of in the marketing area; any plant operated by a handler in his capacity as a buyer-handler or producer-handler; and any city plant operated by an association of producers.

(e) "City plant" means any plant which is located within 10 miles of the marketing area.

(f) "Country plant" means any plant which is located beyond 10 miles of the marketing area.

§ 934.4 *Definitions of milk and milk products.* (a) "Milk" means the commodity received from a dairy farmer at a plant as cow's milk. The term also includes milk so received which later has its butterfat content adjusted to at least one-half of 1 percent but less than 16 percent, frozen milk, and reconstituted milk.

(b) "Cream" means that portion of milk, containing not less than 16 percent of butterfat, which rises to the surface of milk on standing or is separated from it by centrifugal force, in all forms including sweet, sour, frozen, and aerated cream, and milk and cream mixtures.

(c) "Skim milk" means that fluid product of milk which remains after the removal of cream, and which contains less than one-half of 1 percent of butterfat.

(d) "Fluid milk products" means milk, flavored milk, cream, skim milk, flavored skim milk, cultured skim milk, and buttermilk, either individually or collectively.

(e) "Pool milk" means milk, including milk products derived therefrom, which a handler has received as milk from producers.

(f) "Outside milk" means:

(1) All milk received from dairy farmers for other markets.

(2) All fluid milk products, other than cream, received at a regulated plant from an unregulated plant, up to the total quantity of nonpool milk received at the unregulated plant; except receipts from New York order pool plants which are assigned to Class I milk pursuant to § 934.27 and from regulated plants under the Boston, Worcester, or Springfield orders.

(3) All Class I milk, after subtracting receipts of Class I milk from regulated plants, which is disposed of to consumers in the marketing area from an unregulated plant, except a regulated plant under the Boston order, without its intermediate movement to another plant.

(g) "Exempt milk" means milk of a dairy farmer's own production which he delivers in bulk to a plant and for which an equivalent quantity of packaged milk is returned to him during the same month.

MARKET ADMINISTRATOR

§ 934.10 *Designation of market administrator.* The agency for the administration of this order shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 934.11 *Powers of market administrator.* The market administrator shall have the following powers with respect to this order:

(a) To administer its terms and provisions;

(b) To make rules and regulations to effectuate its terms and provisions;

(c) To receive, investigate, and report to the Secretary complaints of violations of its terms and provisions; and

(d) To recommend to the Secretary amendments to it.

§ 934.12 *Duties of the market administrator.* The market administrator, in addition to the duties described in other sections of this order, shall:

(a) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond conditioned upon the faithful performance of his duties, in an amount and with sureties thereon satisfactory to the Secretary;

(b) Pay, out of the funds provided by § 934.71, the cost of his bond, his own compensation, and all other expenses necessarily incurred in the maintenance and functioning of his office;

(c) Keep such books and records as will clearly reflect the transactions provided for in this order and surrender the same to his successor, or to such other person as the Secretary may designate;

(d) Unless otherwise directed by the Secretary, publicly disclose, within 30 days after such nonperformance becomes known to the market administrator, the name of any person who, within 2 days after the date on which he is required to perform such acts, has not made reports or payments pursuant to this order.

(e) Prepare and disseminate for the benefit of producers, consumers, and handlers statistics and information concerning the operation of this order;

(f) Promptly verify the information contained in the reports submitted by the handlers; and

(g) Give each of the producers delivering to a plant as reported by the handler prompt written notice of their actual or potential loss of producer status for the first month in which the plant's status has changed or is changing to that of a nonpool plant.

CLASSIFICATION

§ 934.15 *Classes of utilization.* All milk and milk products received by a handler shall be classified as Class I milk or Class II milk. Subject to §§ 934.16, 934.17 and 934.18, the classes of utilization shall be as follows:

(a) Class I milk shall be all fluid milk products the utilization of which is not established as Class II milk.

(b) Class II milk shall be all fluid milk products the utilization of which is established:

(1) As being sold, distributed, or disposed of other than as or in milk; and other than as or in flavored milk or flavored skim milk, buttermilk, or cultured skim milk, for human consumption; and

(2) As plant shrinkage, not in excess of 2 percent of the volume handled.

§ 934.16 *Classification of interplant movements of fluid milk products other than cream.* Fluid milk products, except cream, moved to another plant from a pool plant or from the city plant of an association of producers shall be classified as follows:

(a) If moved to another pool plant, they shall be classified in the class to which they are assigned at the plant of receipt pursuant to §§ 934.25 and 934.26.

(b) If moved to a buyer-handler's plant, they shall be classified as Class I milk, unless Class II utilization is established.

(c) If moved to a producer-handler's plant, or to any unregulated plant except a plant subject to the Boston, Worcester, or Springfield orders, they shall be classified as Class I milk up to the total quantity of the same form of fluid milk products utilized as Class I milk at the plant to which they were moved.

(d) If moved to a plant subject to the Boston, Worcester, or Springfield orders, they shall be classified in the same class to which the receipt is assigned under such order.

(e) If moved to a regulated plant of a nonpool handler, except the city plant of an association of producers, or to any unregulated plant except a plant subject to the Boston, Worchester, or Springfield orders, they shall be classified as Class I milk if retransferred to either of these types of regulated or unregulated plants.

§ 934.17 *Classification of interplant movements of cream, and of milk products other than fluid milk products.* Cream and milk products other than fluid milk products moved from the regulated plant of a pool handler to another plant shall be classified as Class II milk.

§ 934.18 *Responsibility of handlers in establishing the classification of milk.* (a) In establishing the classification of any milk received by a handler from producers, the burden rests upon the handler who receives the milk from producers to account for the milk and to prove that such milk should not be classified as Class I milk.

(b) In establishing the classification of any pool milk received in the form of cream or milk products other than fluid milk products, or any other milk or milk products received by a handler which is not pool milk, the burden rests upon the receiving handler to account

for such milk and milk products and to prove that such milk and milk products should not be classified as Class I milk.

DETERMINATION OF POOL PLANT STATUS

§ 934.20 *Requirements for all receiving plants.* Each receiving plant shall be a pool plant during each month in which it meets the applicable requirements contained in § 934.21 or § 934.22, together with the following basic requirements:

(a) A majority of the dairy farmers delivering milk to the plant hold certificates of registration issued pursuant to Chapter 94, sections 16C and 16G, of the Massachusetts General Laws.

(b) The handler operating the plant holds a license which has been issued by the milk inspector of a city or town in the marketing area, pursuant to Chapter 94, section 40, of the Massachusetts General Laws, or a majority of the dairy farmers delivering milk to the plant are approved by such an inspector as sources of supply for milk for sale in his municipality.

(c) The plant is operated neither as the plant of a producer-handler, nor as a pool plant pursuant to the provisions of the Boston, New York, Worcester, or Springfield orders.

(d) Each of a handler's plants which is a nonpool receiving plant during any of the months of October through February shall not be a pool plant in any of the following months of March through September in which it is operated by the same handler, an affiliate of the handler, or any person who controls or is controlled by the handler, unless its operation during October through February was in the handler's capacity, as a producer-handler.

§ 934.21 *Additional requirements for city receiving plants.* Each city receiving plant shall be a pool plant in each month in which at least 10 percent of its total receipts of fluid milk products other than cream is disposed of in the marketing area as Class I milk, or in which it is operated by an association of producers.

§ 934.22 *Additional requirements for country receiving plants.* (a) Each country receiving plant shall be a pool plant in any month in which more than 30 percent of its total receipts of fluid milk products, other than cream, is disposed of as Class I milk directly to consumers in the marketing area or is shipped as milk to city plants at which more than 50 percent of the total receipts of fluid milk products, other than cream, is disposed of as Class I milk.

(b) Any country plant which is a pool plant continuously from the effective date of this order through February 1951 and any country plant which thereafter is a pool plant continuously in each of the months from October through February shall be a pool plant continuously for the following months of March through September, regardless of the quantity then disposed of in the marketing area, if the handler's written request for pool plant status for such seven months' period is received by the market administrator before March 1 of that year. Changes in the identity of the handler operating the plant shall not affect the application of this paragraph.

ASSIGNMENT OF RECEIPTS TO CLASSES

§ 934.25 *Assignment of pool handlers' receipts to Class I milk.* For the purpose of computing the net quantity of each pool handler's Class I milk for which a value is to be computed pursuant to § 934.50, his receipts of milk and milk products shall be assigned to Class I milk in the following sequence:

(a) Receipts of exempt milk.

(b) Receipts from regulated plants under other Federal orders, which are assigned to Class I milk pursuant to § 934.27.

(c) Receipts of fluid milk products, other than cream and skim milk, from the regulated city plants of other handlers.

(d) Receipts of milk from producers at a handler's country plant equal to the volume of fluid milk products disposed of directly from the country plant as Class I milk outside the marketing area without being received at a city plant.

(e) Receipts of milk directly from producers at the handler's city plant.

(f) Receipts of outside milk at the handler's city plant.

(g) Receipts of fluid milk products, other than cream and skim milk, from the country pool plants of other handlers, in the order of the nearness of the plants to the City Hall in Lawrence.

(h) Receipts of milk from producers at the handler's country plants not previously assigned pursuant to paragraph (d) of this section in the order of the nearness of the plants to the City Hall in Lawrence.

(i) Receipts of outside milk at the handler's country plants, in the order of the nearness of the plants to the City Hall in Lawrence.

(j) Receipts of skim milk from regulated city plants and then from regulated country plants.

(k) All other receipts or available quantities of fluid milk products, from whatever source derived.

§ 934.26 *Assignment of pool handlers' receipts to Class II milk.* Each pool handler's receipts of milk and milk products which are not assigned to Class I milk pursuant to § 934.25 shall be assigned to Class II milk.

§ 934.27 *Receipts from other Federal order plants.* Receipts of fluid milk products from plants regulated by other Federal orders shall be assigned as follows:

(a) Receipts of fluid milk products from regulated plants under the Boston order shall be assigned to the class in which they are classified under that order.

(b) Receipts of fluid milk products, other than cream, from regulated plants under the Worcester or Springfield orders shall be assigned to Class I milk, unless the operators of the shipping plant and of the receiving plant file a joint written request to the market administrator for assignment to Class II milk of the fluid milk products so received. In such event, the fluid milk products shall be assigned to Class II milk up to the total Class II uses of fluid milk products other than cream at the receiving plant.

(c) Receipts from New York order pool plants shall be assigned to Class I milk if classified in Classes I–A or I–B under the New York order.

REPORTS OF HANDLERS

§ 934.30 *Pool handlers' reports of receipts and utilization.* On or before the 8th day after the end of each month each pool handler shall, with respect to the milk products received by the handler during the month, report to the market administrator in the detail and form prescribed by the market administrator, as follows:

(a) The receipts of milk at each pool plant from producers, including the quantity, if any, received from his own production;

(b) The receipts of fluid milk products at each plant from any other handler, assigned to classes pursuant to §§ 934.25, 934.26 and 934.27;

(c) The receipts of outside milk and exempt milk at each plant; and

(d) The quantities from whatever source derived which were sold, distributed, or used, including sales to other handlers and dealers, classified pursuant to §§ 934.15, 934.16 and 934.17.

§ 934.31 *Reports of nonpool handlers.* Each nonpool handler shall file with the market administrator reports relating to his receipts and utilization of fluid milk products. The reports shall be made at the time and in the manner prescribed by the market administrator, except that any handler who receives outside milk during any month shall file the report on or before the 8th day after the end of the month.

§ 934.32 *Reports regarding individual producers.* (a) Within 20 days after a producer moves from one farm to another, or starts or resumes deliveries to any of a handler's pool plants, the handler shall file with the market administrator a report stating the producer's name and post office address, the date on which the change took place, and the farm and plant locations involved. The report shall also state, if known, the plant to which the producer had been delivering prior to starting or resuming deliveries.

(b) Within 15 days after the 5th consecutive day on which a producer has failed to deliver to any of a handler's pool plants, the handler shall file with the market administrator a report stating the producer's name and post office address, the date on which the last delivery was made, and the farm and plant locations involved. The report shall also state, if known, the reason for the producer's failure to continue deliveries.

§ 934.33 *Reports of payments to producers.* Each pool handler shall submit to the market administrator, within 10 days after his request made not earlier than 20 days after the end of the month, his producer payroll for such month, which shall show for each producer:

(a) The daily and total pounds of milk delivered with the average butterfat test thereof; and

(b) The net amount of such handler's payments to each producer with the prices, deductions, and charges involved.

§ 934.34 *Maintenance of records.* Each handler shall maintain detailed and summary records showing all receipts, movements, and disposition of milk and milk products during the month, and the quantities of milk and milk products on hand at the end of the month.

§ 934.35 *Verification of reports.* For the purpose of ascertaining the correctness of any report made to the market administrator as required by this section or for the purpose of obtaining the information required in any such report where it has been requested and has not been furnished, each handler shall permit the market administrator or his agent, during the usual hours of business, to:

(a) Verify the information contained in reports submitted in accordance with this section;

(b) Weigh, sample, and test milk and milk products; and

(c) Make such examination of records, operations, equipment, and facilities as the market administrator finds necessary for the purpose specified in this paragraph.

§ 934.36 *Retention of records.* All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. The market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASS PRICES

§ 934.40 *Class I price at city plants.* The Class I price per hundredweight at city plants shall be determined for each month pursuant to this section. The latest reported figures available to the market administrator on the 25th day of the preceding month shall be used in making the following computations, except that if the 25th day of the preceding month falls on a Sunday or legal holiday, the latest reported figures available on the next succeeding work day shall be used:

(a) Divide by .98 the monthly wholesale price index for all commodities as reported by the Bureau of Labor Statistics, United States Department of Labor, with the year 1926 as the base period.

(b) Divide by 3 the sum of the three latest monthly indexes of department store sales in the Boston Federal Reserve District adjusted for seasonal variations, as reported by the Federal Reserve System, with the years 1935–39 as the base period, and divide the result so obtained by 1.26.

(c) Compute an index of grain-labor costs in the Boston milkshed in the following manner:

(1) Compute the simple average of the four latest weekly average retail prices per ton of dairy ration in the Boston milkshed, as reported by the United States Department of Agriculture, divide by 0.5044 and multiply by 0.6.

(2) Compute the weighted average of the monthly composite farm wage rates for the latest available month for Maine, Massachusetts, New Hampshire, and Vermont, as reported by the United States Department of Agriculture, divide by 0.5952, and multiply by 0.4. In computing the weighted average, weight the respective rates as follows: Maine, 10; Massachusetts, 6; New Hampshire, 7; and Vermont, 77.

(3) Add the results determined pursuant to subparagraphs (1) and (2) of this paragraph.

(d) Divide by 3 the sum of the final results computed pursuant to the preceding paragraphs of this section. Express the result as a whole number by dropping fractions of less than one-half or by raising fractions of one-half or more to the next whole number. The result shall be known as the formula index.

(e) Subject to the succeeding paragraphs of this section, the Class I price per hundredweight at city plants shall be as shown in the following table:

CLASS I PRICE SCHEDULE

Formula index	Class I Price per Hundredweight		
	Jan.-Feb.-Mar.-July-Aug.-Sept.	April-May-June	Oct-Nov.-Dec.
50-56	$2.21	$1.77	$2.65
57-63	2.43	1.99	2.87
64-70	2.65	2.21	3.09
71-77	2.87	2.43	3.31
78-84	3.09	2.65	3.53
85-90	3.31	2.87	3.75
91-97	3.53	3.09	3.97
98-104	3.75	3.31	4.19
105-111	3.97	3.53	4.41
112-118	4.19	3.75	4.63
119-125	4.41	3.97	4.85
126-132	4.63	4.19	5.07
133-139	4.85	4.41	5.29
140-146	5.07	4.63	5.51
147-152	5.29	4.85	5.73
153-159	5.51	5.07	5.95
160-166	5.78	5.29	6.17
167-173	5.95	5.51	6.39
174-180	6.17	5.73	6.61
181-187	6.39	5.95	6.83
188-194	6.61	6.17	7.05

If the formula index is more than 194, the price shall be increased at the same rate as would result from further extension of this table at the rate of extension in the six highest index brackets.

(f) The Class I price shall be 44 cents more than the price prescribed in paragraph (e) of this section if, under the provisions of the Boston order, less than 33 percent of the milk received by all pool handlers from producers during the 12-month period ending with the second preceding month was Class II milk, except that if the operation of this paragraph would cause the Class I price to be more than 88 cents above the Class I price for the same month of the preceding year, its application shall be limited to only such portion of the 44-cent increase as will result in a Class I price equal to the Class I price for the same month of the preceding year plus 88 cents.

(g) The Class I price shall be 44 cents less than the price prescribed in paragraph (e) of this section if, under the provisions of the Boston order, more than 41 percent of the milk received by all pool handlers from producers during the 12-month period ending with the second preceding month was Class II milk, except that if the operation of this paragraph would cause the Class I price to be more than 88 cents below the Class I price for the same month of the preceding year, its application shall be limited to only such portion of the 44-cent reduction as will result in a Class I price equal to the Class I price for the same month of the preceding year minus 88 cents.

(h) Notwithstanding the provisions of the preceding paragraphs of this section, the Class I price for any of the months of March through June of each year shall not be higher than the Class I price for the immediately preceding month, and the Class I price for any of the months of September through December of each year shall not be lower than the Class I price for the immediately preceding month.

(i) The Class I price determined under the preceding paragraphs of this section shall be increased or decreased to the extent of any increase or decrease in the rail tariff for the transportation of milk in carlots in tank cars for mileage distances of 201–210 miles, inclusive, as published in the New England Joint Tariff M No. 6 and supplements thereto or revisions thereof. The adjustment shall be made to the nearest one-half cent per hundredweight, and shall be effective in the first complete month in which such increase or decrease in the rail tariff applies.

§ 934.41 *Class II price at city plants.* The Class II price per hundredweight at city plants shall be determined for each month pursuant to this section.

(a) Divide by 33.48 the weighted average price per 40-quart can of 40 percent bottling quality cream, f. o. b. Boston, as reported by the United States Department of Agriculture for the month during which such milk is delivered, and multiply the result by 3.7.

(b) Multiply by 7.5 the average price per pound of roller process nonfat dry milk solids for human consumption, in carlots, f. o. b. Chicago area manufacturing plants, as reported by the United States Department of Agriculture for the period from the 26th day of the preceding month through the 25th day of the month during which such milk is received.

(c) Add the results obtained in paragraphs (a) and (b) of this section, and from the sum subtract the amount shown below for the applicable month.

Month:	Amount (cents)
January and February	57.5
March and April	69.5
May and June	75.5
July	69.5
August and September	63.5
October, November, and December	57.5

§ 934.42 *Country plant price differentials.* In the case of receipts at country plants, the prices determined pursuant to §§ 934.40 and 934.41 shall be subject to differentials based upon the zone location of the plant at which the Class I milk or Class II milk was received. The zone location of each plant shall be based on the distance ascertained by the market administrator as the shortest distance from the plant to the City Hall in Lawrence, over highways on which the highway departments of the governing States permit milk tank trucks to move, or on the railway mileage distance to Lawrence from the nearest railway shipping point for such plant, whichever is shorter. The applicable differentials shall be those set forth in the following table, as adjusted pursuant to § 934.43:

A Zone (miles)	B Class I price differentials (cents per cwt.)	C Class II price differentials (cents per cwt.)
Less than 40½	−17.0	−2.0
41-50	−41.5	−2.0
51-60	−42.5	−3.0
61-70	−43.0	−3.0
71-80	−44.5	−3.0
81-90	−45.0	−3.0
91-100	−45.5	−3.0
101-110	−45.5	−4.5
111-120	−47.0	−4.5
121-130	−47.0	−4.5
131-140	−48.0	−4.5
141-150	−50.5	−4.5
151-160	−52.0	−6.0
161-170	−52.0	−6.0
171-180	−54.5	−6.0
181-190	−54.5	−6.0
191-200	−56.0	−6.0
201-210	−56.0	−7.0
211-220	−60.0	−7.0
221-230	−60.5	−7.0
231-240	−61.5	−7.0
241-250	−61.5	−7.0
251-260	−62.5	−8.0
261-270	−63.0	−8.0
271-280	−63.5	−8.0
281-290	−64.5	−8.0
291 and over	−65.5	−8.0

§ 934.43 *Automatic changes in country plant differentials.* In case the rail tariff for the transportation of milk in 40-quart cans in carlots of 200 or more cans or for the transportation of cream in 40-quart cans in carlots of 100–199 cans, as published in New England Joint Tariff M No. 6 and supplements thereto or revisions thereof, is increased or decreased, the country plant price differentials set forth in the table in § 934.42 shall be correspondingly increased or decreased in the manner and to the extent provided in this section. Such adjustment shall be effective beginning with the first complete month in which the changes in rail tariffs apply. If such rail tariff on milk is changed, the differentials set forth in Column B of the table shall be adjusted to the extent of any such change. If such rail tariff on cream is changed, the differentials set forth in Column C of the table shall be adjusted to the extent of any such change divided by 9.05. Adjustment shall be made to the nearest one-half cent per hundredweight.

§ 934.44 *Use of equivalent prices in formulas.* If for any reason a price, index, or wage rate specified by this order for use in computing class prices and for other purposes is not reported or published in the manner described in this order, the market administrator shall use a price, index, or wage rate determined by the Secretary to be equivalent to or comparable with the factor which is specified.

§ 934.45 *Announcement of class prices.* The market administrator shall make public announcements of the class prices, as follows:

(a) He shall announce the Class I price for each month on the 25th day of the preceding month, except that if such 25th day is a Sunday or legal holiday he shall announce the Class I price on the next succeeding work day.

(b) He shall announce the Class II price on or before the 5th day after the end of each month.

BLENDED PRICES TO PRODUCERS

§ 934.50 *Computation of net value of milk used by each pool handler.* For each month, the market administrator shall compute in the following manner the net value of milk which is sold, distributed, or used by each pool handler:

(a) From the handler's total Class I milk, subtract all receipts which have been assigned to Class I milk pursuant to § 934.25 (a), (b), (c), (g), and (j);

(b) From the handler's total Class II milk, subtract all receipts which have been assigned to Class II milk pursuant to § 934.26, except receipts of milk from producers;

(c) Multiply the remaining quantities of Class I milk and Class II milk by the prices applicable pursuant to §§ 934.40, 934.41, and 934.42;

(d) Add together the resulting value of each class;

(e) Add the total amount of the payment required from the pool handler pursuant to § 934.66; and

(f) Subtract the value obtained by multiplying the quantities assigned to Class I milk pursuant to § 934.25 (f), (i), and (k) by the price applicable pursuant to §§ 934.41 and 934.42.

§ 934.51 *Computation of the basic blended price.* The market administrator shall compute the basic blended price per hundredweight of milk delivered during each month in the following manner:

(a) Combine into one total the respective net values of milk, computed pursuant to § 934.50, for each pool handler from whom the market administrator has received at his office, prior to the 11th day after the end of such month, the report for such month and the payments required pursuant to § 934.61 (b) for milk received during each month since the effective date of the most recent amendment to this order;

(b) Add the total amount of payments required from handlers pursuant to § 934.65 and from buyer-handlers and producer-handlers pursuant to § 934.66;

(c) Add the amount of unreserved cash on hand at the close of business on the 10th day after the end of the month from payments made to the market administrator by handlers pursuant to §§ 934.61, 934.62, 934.65, 934.66, and 934.67;

(d) Deduct the amount of the plus differentials, and add the amount of the minus differentials, which are applicable pursuant to § 934.64;

(e) Divide by the total quantity of producer milk for which a value is determined pursuant to paragraph (a) of this section; and

(f) Subtract not less than 4 cents nor more than 5 cents for the purpose of retaining a cash balance in connection with the payments set forth in §§ 934.61 and 934.62. This result, which is the minimum price payable to producers for milk containing 3.7 percent butterfat received from them at city plants, shall be known as the basic blended price.

§ 934.52 *Announcement of blended prices.* On the 12th day after the end of each month the market administrator shall mail to all pool handlers and shall publicly announce:

(a) Such of these computations as do not disclose information confidential pursuant to the act;

(b) The zone blended prices per hundredweight resulting from adjustment of the basic blended price by the country plant price differentials pursuant to § 934.64; and

(c) The names of pool handlers, designating those whose milk is not included in the computations.

PAYMENTS

§ 934.60 *Advance payments.* On or before the 10th day after the end of each month, each pool handler shall make payment to producers for the approximate value of milk received during the first 15 days of such month. In no event shall such advance payment be at a rate less than the Class II price for such month. The provisions of this paragraph shall not apply to any handler who, on or before the 17th day after the end of the month, makes final payment as required by § 934.61 (a).

§ 934.61 *Final payments.* Each pool handler shall make payment for the total value of milk received during such month as required to be computed pursuant to § 934.50, as follows:

(a) On or before the 25th day after the end of each month, to each producer at not less than the basic blended price per hundredweight, subject to the differentials provided in §§ 934.63 and 934.64, for the quantity of milk delivered by such producer; and

(b) To producers, through the market administrator, by paying to, on or before the 23d day after the end of each month, or receiving from the market administrator, on or before the 25th day after the end of each month, as the case may be, the amount by which the payments at the basic blended price adjusted by the plant and farm location differentials provided in § 934.64 are less than or exceed the value of milk as required to be computed for each such handler pursuant to § 934.50, as shown in a statement

rendered by the market administrator on or before the 20th day after the end of such month.

§ 934.62 *Adjustments of errors in payments.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments pursuant to §§ 934.61 (b), 934.65, and 934.66, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 15 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is payable by the market administrator to any handler, the market administrator shall, within 15 days, make such payment to such handler. Whenever verification by the market administrator of the payment to any producer for milk delivered to any handler discloses payment to such producer of an amount less than is required by § 934.61 (a), the handler shall make up such payment to the producer not later than the time of making final payment for the month in which such error is disclosed.

§ 934.63 *Butterfat differential.* Each handler shall, in making payments to each producer for milk received from him, add for each one-tenth of 1 percent of average butterfat content above 3.7 percent, or deduct for each one-tenth of 1 percent of average butterfat content below 3.7 percent, an amount per hundredweight which shall be calculated by the market administrator as follows: Divide by 33.48 the weighted average price per 40-quart can of 40 percent bottling quality cream, f. o. b. Boston, as reported by the United States Department of Agriculture for the period between the 16th day of the preceding month and the 15th day inclusive of the month during which such milk is delivered, subtract 1.5 cents, and divide the result by 10.

§ 934.64 *Location differentials.* The payments to be made to producers by handlers pursuant to § 934.61 (a) shall be subject to the Class I price differentials applicable pursuant to § 934.42, and to further differentials as follows:

(a) With respect to milk delivered by a producer whose farm is located more than 40 miles from the City Hall in Lawrence, but not more than 80 miles from the State House in Boston, there shall be added 23 cents per hundredweight, unless such addition gives a result greater than the Class I price pursuant to §§ 934.40 and 934.42 which is effective at the plant to which such milk is delivered, in which event there shall be added an amount which will give as a result such price.

(b) With respect to milk delivered by a producer whose farm is located not more than 40 miles from the City Hall in Lawrence, there shall be added 46 cents per hundredweight, unless such addition gives a result greater than the Class I price pursuant to §§ 934.40 and 934.42 which is effective at the plant to which such milk is delivered, in which event there shall be added an amount which will give as a result such price.

§ 934.65 *Payments on outside milk.* Within 23 days after the end of each month, handlers shall make payments to producers, through the market administrator, as follows:

(a) Each buyer-handler or producer-handler, whose receipts of outside milk are in excess of his total use of Class II milk after deducting receipts of cream, shall make payment on such excess quantity at the difference between the Class I and Class II prices pursuant to §§ 934.40, 934.41, and 934.42, effective for the location or freight mileage zone of the plant at which the handler received the outside milk.

(b) Each handler who operates an unregulated plant from which outside milk is disposed of to consumers in the marketing area without intermediate movement to another plant shall make payment on the quantity so disposed of. The payment shall be at the difference between the Class I and Class II prices pursuant to §§ 934.40, 934.41, and 934.42 effective for the location or freight mileage zone of the handler's plant.

§ 934.66 *Payments on Class I receipts from other Federal order plants.* Within 23 days after the end of each month, each pool handler, buyer-handler, or producer-handler who received Class I milk from a New York, Boston, Worcester, or Springfield order regulated plant during the month shall make such payment to producers, through the market administrator, as results from the following computation:

(a) Adjust the Class I price pursuant to §§ 934.40 and 934.42 effective for the location or freight mileage zone of the plant from which the Class I milk was received by the butterfat differential calculated pursuant to § 934.63.

(b) Adjust the zone Class I price applicable under the other Federal order (Class I–A or I–B in the case of a New York order plant) by the butterfat differential applicable under that order.

(c) If the adjusted Class I price calculated under paragraph (a) of this section exceeds the corresponding price calculated under paragraph (b) of this section, multiply the quantity of Class I receipts from the other Federal order plant by the difference in price.

§ 934.67 *Adjustment of overdue accounts.* Any balance due, pursuant to §§ 934.61, 934.62, 934.65, and 934.66, to or from the market administrator on the 10th day of any month, for which remittance has not been received in, or paid from, his office by the close of business on that day, shall be increased one-half of 1 percent, effective the 11th day of such month.

§ 934.68 *Statements to producers.* In making the payments to producers prescribed by § 934.61 (a), each pool handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer, which shall show:

(a) The month and the identity of the handler and of the producer;

(b) The total pounds and average butterfat test of milk delivered by the producer;

(c) The minimum rate or rates at which payment to the producer is required under the provisions of § 934.61 (a);

(d) The rate which is used in making the payment, if such rate is other than the applicable minimum rate;

(e) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deductions claimed under §§ 934.69 and 934.70, together with a description of the respective deductions; and

(f) The net amount of payment to the producer.

§ 934.69 *Marketing service deductions; nonmembers of an association of producers.* In making payments to producers pursuant to § 934.61 (a), each handler shall, with respect to all milk delivered by each producer other than himself during each month, except as set forth in § 934.70, deduct 3 cents per hundredweight, or such lesser amount as the market administrator shall determine to be sufficient, and shall, on or before the 25th day after the end of each month, pay such deductions to the market administrator. Such moneys shall be expended by the market administrator only in providing for market information to, and for verification of weights, samples, and tests of milk delivered by, such producers. The market administrator may contract with an association or associations of producers for the furnishing of the whole or any part of such services to, or with respect to the milk delivered by, such producers.

§ 934.70 *Marketing service deductions; members of an association of producers.* In the case of producers who are members of an association of producers which is actually performing the services set forth in § 934.69, each handler shall, in lieu of the deductions specified in § 934.69, make such deductions from payments made pursuant to § 934.61 (a) as may be authorized by such producers and pay, on or before the 25th day after the end of each month, such deduction to such associations.

§ 934.71 *Expense of administration.* Within 23 days after the end of each month, each handler shall make payment to the market administrator of his pro rata share of the expense of administration of this order, based on the handler's receipts of fluid milk products, other than cream, during the month. The payment shall be at the rate of 4 cents per hundredweight, or such lesser amount as the Secretary may from time to time prescribe, on the handler's receipts of milk from producers, including receipts from his own production, and his receipts of outside milk, except receipts of outside milk from other Federal order plants; and at the rate by which the rate applicable to milk received from producers exceeds the rate of assessment applicable under the other Federal order, on his receipts from other Federal order plants.

§ 934.72 *Termination of obligation.* The provisions of this section shall apply to any obligation under this order for the payment of money irrespective of when such obligation arose.

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this

section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable.

Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books or records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this order to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this order shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

MISCELLANEOUS PROVISIONS

§ 934.80 *Effective time.* The provisions of this order, or any amendments to its provisions, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or temminated pursuant to § 934.81.

§ 934.81 *Suspension or termination.* The Secretary may suspend or terminate this order or any provision thereof whenever he finds that it obstructs or does not tend to effectuate the declared policy of the act. This order shall, in any event, terminate whenever the provisions of the act authorizing it cease to be in effect.

§ 934.82 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this order, there are any obligations arising under it, the final accrual or ascertainment of which requires further acts by any person, such further acts shall be performed notwithstanding such suspension or termination.

§ 934.83 *Liquidation after suspension or termination.* Under the suspension or termination of any or all provisions of this order, the market administrator, or such person as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this order, over and above the amount necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 934.84 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this order.

[F. R. Doc. 50-8166; Filed, Sept. 18, 1950; 8:51 a. m.]

[7 CFR, Part 934]

[Docket No. AO-83 A 14]

HANDLING OF MILK IN THE LOWELL-LAWRENCE, MASS., MARKETING AREA

ORDER OF SECRETARY DIRECTING THAT A REFERENDUM BE CONDUCTED AMONG PRODUCERS; DETERMINATION OF A REPRESENTATIVE PERIOD; AND DESIGNATION OF AN AGENT TO CONDUCT SUCH REFERENDUM

Pursuant to section 8c (19) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 608 (c) (19)), it is hereby directed that a referendum be conducted among the producers who, during the month of June 1950, were engaged in the production of milk for sale in the Lowell-Lawrence, Massachusetts, marketing area as defined in the aforesaid order, as amended, to determine whether such producers favor the issuance of the order amending the order, as amended, which is a part of the decision of the Secretary of Agriculture filed simultaneously herewith.[1]

The month of June 1950 is hereby determined to be a representative period for the conduct of the referendum.

Richard D. Aplin is hereby designated as agent of the Secretary to conduct such referendum, and except as set forth herein, such referendum shall be conducted in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders as published in the FEDERAL REGISTER on August 10, 1950 (15 F. R. 5177).

The above-designated agent of the Secretary shall not be required to transmit with his report to the Secretary a copy of each statement concerning the referendum as it appeared in each newspaper, but he shall transmit with his report a copy of the release which he presented to newspapers generally distributed in the area along with a summary of the numbers and types of newspapers to which it was presented.

This referendum shall be completed on or before 20 days after the date of issuance of this referendum order.

Issued at Washington, D. C., this 14th day of September 1950.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

[F. R. Doc. 50-8167; Filed, Sept. 18, 1950; 8:52 a. m.]

[1] See F. R. Doc. 50-8166, *supra.*

[7 CFR, Part 978]

[Docket No. AO 184-A5]

HANDLING OF MILK IN NASHVILLE, TENNESSEE; MARKETING AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER AMENDING THE ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Nashville, Tennessee, on April 6, 1950, pursuant to notice thereof which was issued on March 30, 1950 (15 F. R. 1875).

Upon the basis of the evidence introduced at the hearing and the record thereof the Assistant Administrator, Production and Marketing Administration, on August 7, 1950, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision in this proceeding. The notice of filing such recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on August 11, 1950 (15 F. R. 5211).

No exceptions were filed on behalf of interested parties.

The material issue and the findings and conclusions of the recommended decision (F. R. Doc. 50-7033, 15 F. R. 5211) are hereby approved and adopted as the material issue and the findings and conclusions of this decision as if set forth in full herein.

This decision filed at Washington, D. C., this 14th day of September, 1950.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

[F. R. Doc. 50-8187; Filed, Sept. 18, 1950; 8:55 a. m.]

[7 CFR, Part 986]

HANDLING OF HOPS GROWN IN OREGON, CALIFORNIA, WASHINGTON, AND IDAHO, AND OF HOP PRODUCTS PRODUCED THEREFROM IN THESE STATES

BUDGET OF EXPENSES FOR MARKETING SEASON BEGINNING AUGUST 1, 1950; CONTINUATION OF RATE OF ASSESSMENT

Consideration is being given to the approval of proposals, hereinafter set forth, which were submitted by the Hop Control Board, established under Marketing Agreement No. 107 and Order No. 86 (7 CFR 986.1 et seq.), regulating the handling of hops grown in Oregon, California, Washington, and Idaho, and of hop products produced therefrom in these States, as the agency to administer the terms and provisions thereof.

All persons who desire to submit written data, views, or arguments in connection with the proposals should file the same with the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than the close of business on the 10th day after the publication of this notice in the FEDERAL REGISTER.

The Hop Control Board, at a duly called meeting in San Francisco, California, on July 21 and 22, 1950, adopted by a unanimous vote, a budget of expenses of $134,400.00 for the marketing season beginning August 1, 1950, and requested the approval of the budget by the Secretary.

Also adopted unanimously at the aforesaid meeting was a resolution that the assessment rate of three-tenths of one cent per pound, net dry weight, of hops handled, which rate was approved by the Secretary and published in the FEDERAL REGISTER on September 24, 1949 (14 F. R. 5828), should be retained for the marketing season beginning August 1, 1950. Said assessment rate is the minimum rate which would reasonably afford sufficient funds to provide for the proposed budget of expenses.

Therefore, the proposed rules are as follows:

§ 986.301 *Budget of expenses for the marketing season beginning August 1, 1950; and continuation of rate of assessment*—(a) *Budget of expenses.* Expenses in the amount of $134,400.00 are reasonable and likely to be incurred by the Hop Control Board (including, but not limited to, the Growers Allocation Committee and the several Growers Advisory Committees) for its maintenance and functioning during the marketing season beginning August 1, 1950.

(b) *Continuation of rate of assessment.* The rate of assessment of three-tenths of a cent per pound, net dry weight, of hops handled, established in § 986.300 (a) on September 24, 1949 (14 F. R. 5828) shall continue in effect throughout the marketing season beginning August 1, 1950.

Done at Washington, D. C., this 14th day of September 1950.

[SEAL] FLOYD F. HEDLUND,
Acting Director,
Fruit and Vegetable Branch.

[F. R. Doc. 50-8192; Filed, Sept. 18, 1950; 8:56 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR, Part 10]

[Docket No. 9783]

STATE GUARD RADIO SERVICE

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Part 10, rules governing Public Safety Radio Services to add Subpart K, State Guard Radio Service.

1. Notice is hereby given of proposed rule making in the above-entitled matter. The proposed amendment is set forth below.

2. Authority for the issuance of the proposed amendment is vested in the Commission by virtue of sections 4 (i) and 303 (a), (b), (c), (f) and (r) of the Communications Act of 1934, as amended.

3. Any interested party who is of the opinion that the proposed amendment or any part thereof should not be adopted, or should not be adopted in the form set forth may file with the Commission on or before October 16, 1950, a written statement or brief setting forth his comments. Before taking final action in the matter, the Commission will consider all comments received, and if any comments appear to warrant the Commission in holding an oral argument or hearing, notice of the time and place of such oral argument or hearing will be given interested parties.

4. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

Adopted: September 6, 1950.

Released: September 8, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

SUBPART K—STATE GUARD RADIO SERVICE

§ 10.501 *Eligibility.* (a) Authorizations for stations in the State Guard Radio Service will be issued only to the official State guard or comparable organization of a State, territory, possession, or the District of Columbia and only where such organization has been duly created by law and is completely subject to the control of the Governor, or highest official of the creating governmental entity.

(b) To facilitate a determination of eligibility, the first application from each organization for a new station in the State Guard Radio Service shall be accompanied by a statement citing the statute, executive order, or other legal authority under which the guard was created and definitely indicating whether or not the guard is under the absolute authority of the Governor or highest official of the governmental entity.

§ 10.502 *Permissible communications.* (a) Stations in the State Guard Radio Service are primarily authorized to transmit emergency communications directly relating to public safety and the protection of life and property.

(b) Stations in the State Guard Radio Service are secondarily authorized to transmit essential non-emergency communications necessary for training and maintaining an efficient organization: *Provided,* That all communications authorized by this paragraph shall be kept to an absolute minimum and shall cause no harmful interference to stations in other services nor to other stations in the State Guard Radio Service when such stations are transmitting communications authorized by paragraph (a) of this section.

(c) The transmission of non-essential communications is strictly prohibited.

§ 10.503 *Points of communication.* (a) State guard base, mobile and fixed stations are primarily authorized to intercommunicate with all other State guard stations authorized to the same licensee.

(b) State guard base, mobile and fixed stations are secondarily authorized to intercommunicate with other stations in the Public Safety Radio Services and to transmit to receivers at fixed location: *Provided,* That no harmful interference will be caused to the service of any station transmitting to a point of communication for which that station is primarily authorized.

§ 10.504 *Station limitations.* (a) Mobile relay stations will not be authorized in the State Guard Radio Service.

(b) Each operator of a station in the State Guard Radio Service shall listen on the licensed frequency of the station prior to transmitting and shall not transmit until it has been reasonable determined that harmful interference will not be caused to any authorized communication in progress on the frequency.

§ 10.505 *Frequencies available to the State Guard Radio Service.* (a) The frequency 2726 kilocycles is available for assignment to base and mobile stations in the State Guard Radio Service for use on a shared basis with stations in the Special Emergency Radio Service.

(b) In instances where circumstances in a particular state appear to warrant the use of a second frequency in the band 2505–3500 kilocycles and where a frequency can be made available through appropriate arrangements, with Government agencies if necessary, for restricted area use on a shared basis with other assignments such additional frequency may be assigned. The maximum power input, emission and hours of operation authorized for use on any frequency assigned under the provisions of this paragraph will be determined on the basis of the technical conditions involved in using the selected frequency in the particular area.

(c) The frequencies indicated in paragraphs (a) and (b) of this section will also be assigned to fixed stations in the State Guard Radio Service subject to the condition that harmful interference will not be caused to the mobile service.

[F. R. Doc. 50-8158; Filed, Sept. 18, 1950; 8:50 a. m.]

NOTICES

POST OFFICE DEPARTMENT

CHINA

RESTRICTED MAIL SERVICE

Effective at once, the service of ordinary (unregistered) articles in the regular mails, except small packets, is resumed to Hainan Island, China. The parcel post service to Hainan Island remains suspended.

Articles in the regular mails for Hainan Island prepaid at the air mail rate of 25 cents per half ounce will be transported by air to Hong Kong for onward transmission by surface means.

The above supersedes notice published in the FEDERAL REGISTER on May 13, 1950 (15 F. R. 2880).

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

[SEAL] J. M. DONALDSON,
Postmaster General.

[F. R. Doc. 50-8137; Filed, Sept. 18, 1950; 8:46 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[1996977]

CALIFORNIA

NOTICE OF FILING OF PLAT OF SURVEY

SEPTEMBER 13, 1950.

Notice is given that the plat of (1) Dependent Resurvey of the NE¼ sec. 26, T. 13 S., R. 23 E., S. B. M., delineating a retracement and reestablishment of the lines of the original survey as shown upon the plat approved May 22, 1879, and (2) Extension Survey in T. 13 S., R. 23 E., S. B. M., California, of the following described lands, accepted December 14, 1948, will be officially filed in the Land Office, Los Angeles, California, effective at 10:00 a. m. on the 35th day after the date of this notice:

SAN BERNARDINO MERIDIAN

T. 13 S., R. 23 E.,
Sec. 26, NW¼, S½,
Sec. 27, all,
Sec. 28, all,
Sec. 29, all,
Sec. 30, all,
Sec. 31, all,
Sec. 32, all,
Sec. 33, all,
Sec. 34, all,
Sec. 35, all.

The area described, exclusive of segregations, aggregates 6,323.08 acres.

All the lands involved were reserved by Executive Order 8685 of February 14, 1941, and included in the Imperial National Wildlife Refuge, LC February 27, 1941—1814082.

Anyone having a valid settlement or other right to any of these lands initiated prior to the date of the withdrawal of the lands should assert same within three months from the date on which the plat is officially filed by filing an application under the appropriate public land laws, setting forth all facts relative thereto.

All inquiries relating to these lands should be addressed to the Manager, Land Office, Los Angeles, California.

WILLIAM ZIMMERMAN, Jr.,
Assistant Director.

[F. R. Doc. 50-8131; Filed, Sept. 18, 1950; 8:45 a. m.]

CALIFORNIA

CLASSIFICATION ORDER

SEPTEMBER 1, 1950.

1. Pursuant to the authority delegated to me by the Director, Bureau of Land Management, by Order No. 319 dated July 19, 1948 (43 CFR 50.451 (b) (3), 13 F. R. 4278), I hereby classify under the Small Tract Act of June 1, 1938 (52 Stat. 609), as amended July 14, 1945 (59 Stat. 467, 43 U. S. C. section 682a), as hereinafter indicated, the following described land in the Los Angeles, California, land district, embracing approximately 15 acres.

CALIFORNIA SMALL TRACT CLASSIFICATION No. 235

For lease and sale for homesites only:
T. 1 S., R. 4 E., S. B. M.,
Sec. 31, NW¼SE¼SE¼, E½SW¼SE¼SE¼.

The lands are situated in the Morongo Valley area of San Bernardino County, California. They are approximately 120 miles east of Los Angeles and 32 miles west of Twentynine Palms. They can be reached over Highway 60-70-99 and thence by secondary roads. These tracts are rough and not particularly desirable, but can be reached and improved with the expenditure of considerable money. The area in which these tracts are situated is considered ideal for health and recreational purposes and is being developed rapidly.

2. As to applications regularly filed prior to 8:30 a. m., March 20, 1946, and are for the type of site for which the land is classified, this order shall become effective upon the date it is signed.

3. As to the land not covered by applications referred to in paragraph 2, this order shall not become effective to permit leasing under the Small Tract Act until 10:00 a. m., November 3, 1950. At that time such land shall, subject to valid existing rights, become subject to application as follows:

(a) Ninety-day preference period for qualified veterans of World War II from 10:00 a. m., November 3, 1950, to close of business on February 1, 1951.

(b) Advance period for veterans' simultaneous filings from 8:30 a. m., March 20, 1946, to 10:00 a. m., November 3, 1950.

4. Any of the land remaining unappropriated shall become subject to application under the Small Tract Act by the public generally, commencing at 10:00 a. m., February 2, 1951.

(a) Advance period for simultaneous nonpreference filings from 8:30 a. m., March 20, 1946, to 10:00 a. m., February 2, 1951.

5. Applications filed within the periods mentioned in paragraph 3 (b) and 4 (a) will be treated as simultaneously filed.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides), of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their application by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

6. All of the land will be leased in tracts of approximately 5 acres, each being approximately 330 by 660 feet, the longer dimension to extend north and south.

7. Preference right leases referred to in paragraph 2 will be issued for the land described in the application irrespective of the direction of the tract, provided the tract conforms to or is made to conform to the area and the dimension specified in paragraph 6.

8. Where only one five-acre tract in a ten-acre subdivision is embraced in a preference right application, an application for the remaining five-acre tract extending in the same direction will be accepted in order to fill out the subdivision notwithstanding the direction specified in paragraph 6.

9. Leases will be for a period of five years at an annual rental of $5.00 payable for the entire lease period in advance of the issuance of the lease. Leases will contain an option to purchase clause at the appraised value of $20.00 per acre, application for which may be filed at or after the expiration of one year from date the lease is issued.

10. Tracts will be subject to rights-of-way not exceeding 33 feet in width along or near the edges thereof for road purposes and public utilities. Such rights-of-way may be utilized by the Federal Government, or the State, County or municipality in which the tract is situated, or by any agency thereof. The rights-of-way may, in the discretion of the authorized officer of the Bureau of Land Management, be definitely located prior to the issuance of the patent. If not so located, they may be subject to location after patent is issued.

11. All inquiries relating to these lands should be addressed to the Manager, Land Office, Los Angeles, California.

L. T. HOFFMAN,
Regional Administrator.

[F. R. Doc. 50-8146; Filed, Sept. 18, 1950; 8:48 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-217]

ACCIDENT OCCURRING AT ONEIDA COUNTY AIRPORT, UTICA, N. Y.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United State Registry N-18936, which occurred at Oneida County Airport, Utica, New York, on September 4, 1950.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Thursday, September 21, 1950, at 9:00 a. m., in Hotel Utica, Utica, New York.

Dated at Washington, D. C., September 13, 1950.

[SEAL] FRANCIS H. MCADAMS,
Presiding Officer.

[F. R. Doc. 50-8145; Filed, Sept. 18, 1950; 8:47 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

TRANSFERRING EXISTING DELEGATIONS OF AUTHORITY TO CHIEF, COMMON CARRIER BUREAU

ORDER AMENDING ORDER

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 6th day of September 1950;

It appearing, that the Commission heretofore on the 3d day of March 1950, adopted an order transferring certain existing delegations of authority to the Chief, Common Carrier Bureau, and on the 30th day of March, 1950, adopted an order amending the order of March 3, 1950; and that such order may not be entirely clear with respect to its purpose and intent;

It is ordered, That paragraph B of the order of March 30, 1950, is hereby amended to read as follows:

B. (1) Authority is hereby delegated to the Chief, Common Carrier Bureau or his nominee to act upon matters set forth in the following sections of the Commission rules:

Secs.	Secs.
0.142 (e)	0.145 (a)
0.142 (j)	0.145 (c)
0.143 (g)	0.145 (d)

insofar as the above-listed sections apply to the Fixed Public, Fixed Public Press, Domestic Public Land Mobile Radio, or common carrier experimental radio services, or any of them; and

Sec.	Sec.
0.143 (b)	0.143 (c)

insofar as these sections apply to records or papers involved in common carrier matters:

Sec. 0.143 (b)

insofar as this section applies to common carrier rule making; and

Secs.	Secs.
0.142 (i)	0.146 (a)
0.143 (f)	0.147

(2) Actions taken by the Chief, Common Carrier Bureau or his nominee in accordance with the foregoing delegation of authority shall be recorded each week in writing and filed in the official minutes of the Commission.

(3) The authorizations issued by the Chief, Common Carrier Bureau, or his nominee, in accordance with his assigned functions, shall bear the seal of the Commission and the signature of the Secretary of the Commission.

This order shall become effective immediately.

Released: September 8, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-8156; Filed, Sept. 18, 1950; 8:49 a. m.]

TRANSFERRING EXISTING DELEGATIONS OF AUTHORITY TO CHIEF, SAFETY AND SPECIAL RADIO SERVICES BUREAU

ORDER AMENDING ORDER

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 6th day of September 1950;

It appearing, that the Commission heretofore on the 29th day of June, 1950, issued an order, effective July 31, 1950, for the purpose of transferring certain existing delegations of authority to the Chief, Safety and Special Radio Services Bureau, and that such order may not be entirely clear with respect to its purpose and intent, such order is hereby amended, effective immediately, by substituting after the words *"It is ordered,* Under the authority of the Communications Act of 1934, as amended, that;" the following:

1. The delegated authority set forth in sections 0.121, 0.141, 0.142, 0.143 and 0.144 is hereby transferred to the Chief of the Safety and Special Radio Services Bureau or, in his absence, the Acting Chief of said Bureau, in so far as such delegated authority relates to and is necessary to carry out the functions set forth in the order establishing the Safety and Special Radio Services Bureau adopted at a session of the Federal Communications Commission on the 29th day of June 1950, and effective July 31, 1950.

2. The Chief of the Safety and Special Radio Services Bureau or, in his absence, the Acting Chief of said Bureau, is designated to act upon the administration and application of regulations promulgated by the Commission pursuant to sections 320, 321, 322 or any other sections of the Communications Act or any treaty to which the United States is a party, which relate to safety of life and property at sea or in the air.

3. With respect to the following sections of the Rules which deal with motions, briefs and other pleadings and procedure in hearing cases before the Commission, namely:

Secs.	Secs.
1.746	1.849
1.747	1.852
1.843 (c)	1.853
1.846	1.854
1.848	

such authority as is provided for the General Counsel is, in any safety and special service proceeding, hereby vested in the Chief, or in his absence, the Acting Chief, of the Safety and Special Radio Services Bureau.

4. Actions taken by the Chief or Acting Chief of the Safety and Special Radio Services Bureau in accordance with the foregoing delegations shall be recorded each week in writing and filed in the official minutes of the Commission.

5. The authorizations issued by the Bureau in accordance with its assigned functions and the delegations of authority transferred hereby shall bear the seal of the Commission and the signature of the Secretary of the Commission.

6. The delegated authority set forth in section 0.144 is hereby modified by inserting the word "Aviation" in paragraph (a) so that it will read:

(a) Applications for the Aviation, Public Safety, Ship, Industrial, Land Transportation, and Citizens Radio Services, except those rendering a common carrier service and those falling under sections 0.141, 0.142, and 0.143.

Released: September 8, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-8157; Filed, Sept. 18, 1950; 8:49 a. m.]

[Docket Nos. 9574, 9778]

COMMONWEALTH BROADCASTING CORP. (WELS) AND KINSTON BROADCASTING CO. (WFTC)

ORDER DESIGNATING APPLICATION FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of Commonwealth Broadcasting Corporation (WELS), Kinston, North Carolina, Docket No. 9574, File No. BMP-4917; Kinston Broadcasting Company (WFIC), Kinston, North Carolina) Docket No. 9778, File No. BP-7752; for modification of construction permit and construction permit.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 31st day of August 1950;

The Commission having under consideration the above-entitled application of the Kinston Broadcasting Company for a construction permit to change facilities from 1230 kc, 250 watts power, unlimited time to 960 kc, 1 kw, unlimited time, with directional antenna at night at Station WFTC, Kinston, North Carolina;

It appearing, that the above-enttiled application of the Commonwealth Broadcasting Corporation for modification of construction permit to change

facilities from 1010 kc, 1 kw power, daytime only to 960 kc, 1 kw power, daytime only at Station WELS, Kinston, North Carolina, was on January 26, 1950, designated for hearing in a consolidated proceeding with an application of the Coastal Broadcasting Company (WHIT) because of mutually prohibitive interference;

It further appearing, that the above-mentioned consolidated proceeding, originally scheduled to be heard on April 5, 1950, was, after three continuances, on June 16, 1950, scheduled to be heard on August 9, 1950;

It further appearing, that on July 26, 1950, the Coastal Broadcasting Company (WHIT) petitioned to dismiss its application without prejudice, which petition was denied on August 4, 1950, insofar as it requested dismissal without prejudice, and was granted insofar as it requested that its application be dismissed;

It further appearing, that, on August 4, 1950, when the Coastal Broadcasting Company (WHIT) application was dismissed, the above-entitled application of the Commonwealth Broadcasting Corporation (WELS) was retained in a hearing status, which hearing was continued until September 19, 1950;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the above-entitled application of the Kinston Broadcasting Company (WFTC) is designated for hearing in a consolidated proceeding with the above-entitled application of the Commonwealth Broadcasting Corporation (WELS), upon the following issues:

1. To determine the technical, financial and other qualifications of the corporate applicant, its officers, directors and stockholders to operate Station WFTC as proposed.

2. To determine the areas and populations which may be expected to gain or lose primary service from the operation of Station WFTC as proposed, and the character of other broadcast service available to such areas and populations.

3. To determine the type and character of program service proposed to be rendered and whether it would meet the requirements of the populations and areas proposed to be served.

4. To determine whether the operation of Station WFTC as proposed would involve objectionable interference with any other existing broadcast stations, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

5. To determine whether the operation of Station WFTC as proposed would involve objectionable interference with the services proposed in the above-entitled application of the Commonwealth Broadcasting Corporation (WELS), or with the services proposed in any other pending applications for broadcast facilities, and, if so, the nature and extent thereof, the areas and populations affected thereby, and the availability of other broadcast service to such areas and populations.

6. To determine whether the installation and operation of Station WFTC as proposed would be in compliance with the Commission's Rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations.

7. To determine the overlap, if any, that will exist between the service areas of Station WFTC as proposed and of Stations WRRF, Washington, North Carolina, and WRRZ, Clinton, North Carolina,, the nature and extent thereof, and whether such overlap, if any, is in contravention of § 3.35 of the Commission's rules.

8. To determine on a comparative basis which, if either of the applications in this consolidated proceeding, should be granted.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-8159; Filed, Sept. 18, 1950; 8:50 a. m.]

[Docket Nos. 9205, 9206]

STANDARD BROADCAST STATION KPMO AND VALLEY BROADCASTING CO.

ORDER CONTINUING ORAL ARGUMENT

In the matter of renewal of license of Standard Broadcast Station KPMO, Pomona, California, Docket No. 9205, File No. BR-1697; and application for consent to assignment of license of Station KPMO from Myron E. Kluge and Dean H. Wickstrom, d/b as Valley Broadcasting Company to Dean H. Wickstrom and Warner H. J. Sorenson, d/b as Valley Broadcasting Company, Docket No. 9206, File No. BAL-655.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 31st day of August 1950;

The Commission having under consideration a letter, dated August 18, 1950, from Dean H. Wickstrom, one of the members of the applicant partnership, requesting that oral argument in this proceeding, now scheduled for September 15, 1950, be continued to a date during the period of November 3-16, 1950; and

It appearing, that in support of this request for a continuance, Mr. Wickstrom states that he desires to personally present oral argument to the Commission; that his schedule of employment will not permit him to come to Washington prior to November 3, 1950; that the Commission's General Counsel has no objection to the continuance requested; that the applicants are not represented by counsel; and that under these circumstances, said request should be granted and the oral argument should be continued, without date;

Accordingly, it is ordered, That the above-described request of the applicants is granted in part; and that oral argument in the above-entitled proceeding, now scheduled for September 15, 1950, is continued, without date.

Released: August 31, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-8160; Filed, Sept. 18, 1950; 8:50 a. m.]

[Docket Nos. 9785, 9786]

STAR BROADCASTING CO., INC. (KCSJ), AND RADIO STATION WOW, INC. (WOW)

MEMORANDUM OPINION AND ORDER DESIGNATING APPLICATIONS FOR CONSOLIDATED HEARING ON STATED ISSUES

In re applications of The Star Broadcasting Company, Inc. (KCSJ), Pueblo, Colorado, Docket No. 9786, File No. BR-1610; for renewal of license. Radio Station WOW, Inc. (WOW), Omaha, Nebraska, Docket No. 9785, File No. BR-686; for renewal of license.

1. The Commission has before it the following: (1) The decision of the United States Court of Appeals for the District of Columbia Circuit in Radio Station WOW, Inc., v. Federal Communications Commission, No. 10350 and No. 10359 (decided July 17, 1950); (2) A petition filed May 11, 1949, by The Star Broadcasting Company, Inc., licensee of Radio Station KCSJ, Pueblo, Colorado, requesting reconsideration of the Commission's action of April 20, 1949, granting an application of Radio Station WOW, Inc., licensee of Radio Station WOW, Omaha, Nebraska, for renewal of license of Radio Station WOW (File No. BR-686); (3) A motion filed May 23, 1949, by Radio Station WOW, Inc., requesting that the said petition of The Star Broadcasting Company be stricken from the Commission's records; (4) A letter dated January 4, 1950, from the Commission to The Star Broadcasting Company advising it that action on the petition would be upheld; and (5) A letter dated January 10, 1950, from Radio Station WOW, Inc., requesting that the Commission act on its motion filed May 23, 1949.

2. The facts involved in these matters are fully set forth in the Court's decision in Radio Station WOW, Inc. v. Federal Communications Commission, 6 Pike & Fischer, R. R. 2026 and in the Commission's Memorandum Opinion and Order dated June 30, 1949, 5 Pike & Fischer, R. R. 408e which was the basis for the appeal. However, an understanding of our ruling on the Court's decision and on the subject petition requires that we review briefly the previous proceedings.

3. On August 25, 1948, and April 5, 1949, Radio Station WOW, Inc., Omaha, Nebraska (hereinafter referred to as WOW), filed petitions with the Commission requesting, respectively, that the Commission issue to The Star Broadcasting Company (hereinafter referred to as KCSJ) and order to show cause why the license of KCSJ should not be modified to afford additional protection to WOW by use of the present nighttime direc-

tional antenna during the day time, and that the Commission designate for hearing the application of KCSJ for renewal of its license. (File No. BR-1610).[1] The Commission denied both of the petitions in its memorandum and order dated June 30, 1949; and on July 20, 1949, the Commission granted KCSJ's application for renewal of license. Thereafter, on July 15 and July 22, 1949, WOW filed notices of appeal to the Court of Appeals for the District of Columbia Circuit. In No. 10350, WOW appealed from the denial of its petition for a rule to show cause why Star's original license should not be modified. In No. 10359, it appealed from the denial of its petition that the Star application for renewal be set down for hearing. On July 17, 1950, that Court handed down its decision (Radio Station WOW, Inc. v. Federal Communications Commission) dismissing the appeal in No. 10350 and reversing the order of the Commission involved in No. 10359 and remanding the case to the Commission holding that WOW was entitled to a hearing in respect to Star's application for a renewal of its license.

4. Pursuant to the mandate of the court's decision, we are required to and do set aside our memorandum opinion and order of June 30, 1949, insofar as that order denies the petition of WOW requesting that the Commission designate for hearing the application of KCSJ for renewal of its license and such application is hereby set down for hearing on the issues set out below.

5. There remains for consideration the petition filed may 11, 1949, by Star and the motion filed May 23, 1949, by WOW, both of which are referred to in paragraph 1.

6. In support of its petition filed on May 11, 1949 requesting that the Commission reconsider its action of April 20, 1949, granting, without hearing, the application for renewal of license of WOW, and to designate the said application for hearing, KCSJ alleged that:

> Petitioner takes the position that it and WOW are in equal positions since WOW, which was under a duty to make an independent investigation and to challenge the representations made, if any, concurred in, but did not do so, though the Commission's rules provide the means of doing so; that the interference, if any, which WOW receives from KCSJ is comparatively slight, and that the public interest, convenience and necessity would be served by operation of the two stations as at present rather than by operation of KCSJ during the daytime hours with its directional antenna. Since the public interest is the Commission's primary consideration and the parties are in equal position, petitioner submits that there is no more reason to designate the KCSJ renewal application for hearing than to take the same action with respect to the WOW renewal application.

It is further alleged by KCSJ that WOW causes objectionable interference within the normally protected contours of KCSJ.[2] In support of the allegation that KCSJ and WOW "are in equal positions" KCSJ alleges that:

> Section 307 (d) of the Communications Act of 1934, as amended, provides that actions of the Commission with reference to the granting of applications for the renewal of licenses shall be limited to and governed by the same considerations and practice which affect the granting of original applications. Interference within the normally protected contours of KCSJ would, certainly, be a consideration if WOW were making an original application to operate as authorized in its license. The interests of petitioner are adversely affected, and it is an aggrieved party, by reason of the grant of the application for renewal of the license of WOW, therefor.

7. By letter dated January 4, 1950, to KCSJ, a copy of which was sent to Radio Station WOW, the Commission stated that the subject petition filed by KCSJ and the petitions filed by WOW on August 25, 1948 and, particularly, on April 5, 1949 (which were the subject of the Commission's memorandum opinion and order of June 30, 1949) appeared to raise substantially the same questions and that it did not appear necessary for the Commission to take any action at that time with respect to the petition filed by KCSJ; and the parties were advised that action would be withheld on the said petition filed by KCSJ pending disposition of the appeal taken by WOW. Thereafter, by letter dated January 10, 1950, to the Commission, WOW stated that the Commission's conclusion that "substantially the same questions" are presented by KCSJ's petition and WOW's appeal "is not correct" and requested that the Commission dismiss KCSJ's petition and grant the Motion filed by WOW on May 23, 1949, which requested that the said petition be stricken from the Commission's records.

8. The foregoing recital of the history of these proceedings presents two questions for our determination: (1) Whether the subject petition filed by KCSJ raises substantially the same questions presented by WOW's appeal; and (2) Whether the Star petition filed on May 11, 1949 requesting reconsideration of the Commission's action of April 20, 1949 granting the application of WOW for renewal of license should be granted. In Radio Station WOW, Inc. v. Federal Communications Commission, supra, the Court stated: "Obviously, the provisions for renewal (47 U. S. C. 307 (d)) contemplate the possibility of changes in conditions after the original grant and also of errors in the original grant * * * The statute says that the renewal must be governed by the same considerations which affect the grant of the original application. Certainly actual interference with an existing station within its protected area is a consideration affecting the grant of an application. An error in good faith as to a proposed operation seems to us to leave that particular matter open for determination upon application for renewal." The Court, however, expressly made clear that Star is and was in every respect an existing licensee entitled to be protected as such. WOW admits in its "Motion to Strike Petition for Reconsideration" dated May 23, 1949, that, "KCSJ has caused, and is causing, interference to WOW. In addition to the predicted interference from KLZ, KCSJ is experiencing interference from WOW." It is clear that, if WOW's measurements are correct, this interference is greater than reference to the soil conductivity map would have lead Star or the Commission to believe at the time of its original application. The ultimate end which must be served is, of course, the public interest. In the present posture of the case, in the light of all the circumstances, we cannot therefore say from an examination of the application of WOW for renewal of its license that public interest, convenience, or necessity would be served by the granting thereof. It follows, under the mandate of section 309 (a) of the act, that WOW's renewal application must be set down for hearing.

9. A further problem merits our consideration here. In its "Petition to Designate Application for Hearing" filed on April 5, 1949, WOW incorporated by reference its petition of August 25, 1948 in which WOW requested the Commission to issue to KCSJ a rule to show cause why its license should not be modified. The incorporated petition included an engineering report of field intensity measurements and an analysis of these measurements. The petition, according to the "interference study" attached thereto alleged that the operation of KCSJ was producing objectionable interference during the daytime within the normally protected 0.5 mv/m contour of WOW throughout an area comprising 5,900 square miles containing 69,600 persons. It was also alleged that the objectionable daytime interference being caused by KCSJ to WOW could be eliminated provided KCSJ was required to operate during daytime hours with the directional antenna which it was using during nighttime hours. Accordingly, on the basis of this engineering study WOW requested that the application of KCSJ for renewal of its license should be designated for hearing "to determine whether or not KCSJ should, in the public interest, be required to operate during daytime hours with the identical directional antenna that is now being used during nighttime hours * * *." This suggestion contemplates that KCSJ be required to employ its present nighttime directional

[1] WOW's position as summarized by the Commission in its Memorandum Opinion and Order dated June 30, 1949, is that: "* * * since KCSJ obtained its grant upon representations that no interference would result to WOW, which, though made in good faith, have turned out to be erroneous, KCSJ must assume the burden of correcting the interference condition which has resulted; that both WOW and the Commission relied on WCSJ's representation; and that as a result, WOW's license has been indirectly modified through a reduction of its service area without it having been accorded proper notice and hearing."

[2] KCSJ alleges that "An area of 5,900 square miles, in which reside 14,875 persons, within the 0.5 mv/m contour of KCSJ receives interference from WOW during daytime hours. At night the KCSJ interference-free contour is the 11.6 mv/m contour. If interference from WOW were eliminated, the 7.1 mv/m contour would be the interference-free contour and the area and population served would be increased from 438 square miles and a population of 64,568 to 1,063 square miles and a population of 66,461."

antenna array during the day. By so stating, WOW has made it possible for any other station which might be adversely affected by the daytime utilization of KCSJ's present nighttime array to protect its interests by intervening in any hearing held on the WOW petition.

10. The petition filed by KCSJ on May 11, 1949, requesting reconsideration of the Commission's action of April 20, 1949 granting the application of WOW for renewal of its license, similarly suggests that public interest does not necessarily require an outright denial of WOW's renewal application but merely that it "be required to install a directional antenna or to correct its present antenna so as to protect KCSJ from objectionable interference * * *" But unlike the case of WOW's position, that filed by KCSJ sheds no light as to the type of antenna it desires WOW to employ. It may well be that any given modification of WOW's present non-directional antenna pattern, in order to afford additional protection to KCSJ, would result in interference to other stations. But it is impossible, in the absence of any suggestion by the petitioner as to the nature of such modification, for the Commission, and any other existing stations which might be affected, to know, in advance, what the effect of any such modification of WOW's existing mode of operation would be. It would, therefore, be difficult, if not impossible, for any other station, which might be affected, to protect its interests by intervening in the hearing on the KCSJ petition and such other stations would clearly be unable to prepare evidence on this matter in advance for introduction at such a hearing. This would likewise be true with respect to both WOW, itself, and the Commission. We therefore think that while the KCSJ petition in its present form makes a sufficient case to put in issue the question of whether any renewal of station WOW's license would be in the public interest, in the absence of a more specific proposal by KCSJ, we are not in a position to consider at such a hearing any proposal by which WOW's license would be conditioned upon its installing a directional antenna to protect KCSJ. We, therefore, propose to eliminate any such issue from the consolidated hearing, which is ordered by this opinion, subject only to the condition that we will allow KCSJ to file a petition to modify the issues, together with a detailed plan for such modification duly supported by proper engineering exhibits, not later than 30 days after the release date of the instant opinion in order to include an appropriate issue as to whether the public interest might not be served by some other alternative to an outright grant or denial of WOW's renewal application.

11. Accordingly, it is ordered, this 6th day of September 1950, that the said petition of Radio Station WOW, Inc., requesting that the Commission designate the above-entitled application of The Star Broadcasting Company for renewal of license of KCSJ for hearing is granted, the grant by the Commission on July 20, 1949, of KCCJ's application for renewal of its license is set aside and vacated and the license of KCSJ is extended on a temporary basis to March 1, 1951, and the Commission's memorandum opinion and order of June 30, 1949 is set aside insofar as it denies the said petition.

12. It is further ordered that the said petition of The Star Broadcasting Company, Inc., requesting reconsideration of the Commission's action of April 20, 1949, granting the application of Radio Station WOW for renewal of license of WOW is granted, the grant by the Commission on April 20, 1949 of WOW's application for renewal of its license is set aside and vacated, the license of WOW is extended on a temporary basis to March 1, 1951, and the said motion filed May 23, 1949 by Radio Station WOW, Inc., requesting that the said petition of The Star Broadcasting Company be stricken from the Commission's records is hereby denied.

13. It is further ordered that pursuant to section 309 (a) of the Communications Act of 1934, as amended, the said application of Radio Station WOW, Inc., for renewal of its license and the said application of The Star Broadcasting Company for renewal of its license, are designated for hearing in a consolidated proceeding commencing at 10:00 a. m. on February 26, 1951 at Washington, D. C., upon the following issues:

a. To determine the areas and populations presently served by WOW and KCSJ and the character of other broadcast services available to such areas and populations.

b. To determine whether the operation of WOW and KCSJ involve objectionable interference, each with the other, or with the services of any other broadcast station, and if so the nature and extent thereof, the areas and populations affected thereby and the character of the other broadcast services available to such areas and populations.

c. To determine the areas and populations which would gain, or lose, service as a result of the operation of KCSJ during daytime hours with the identical directional antenna that is now being used by KCSJ during nighttime hours, and the character of other broadcast services available to such areas and populations.

d. To determine whether the operation of KCSJ during daytime hours with the identical directional antenna that is now being used by KCSJ during nighttime hours would involve objectionable interference with services of any other broadcast station or with services proposed in any pending application for broadcast facilities, and if so the nature and extent thereof, the areas and populations affected thereby and the character of the other broadcast services available to such areas and populations.

e. To determine whether, in the light of the evidence adduced under Issues a, b, c, and d, the license of KCSJ should be modified so as to require operation during daytime hours with the identical directional antenna that is now being used during nighttime hours.

f. To determine whether, in the light of the evidence adduced pursuant to Issues a and b, the public interest would be served by a grant of the application for renewal of WOW's license.

NOTE: Commissioner Jones dissented in the opinion.

Released: September 11, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50-8161; Filed, Sept. 18, 1950; 8:50 a. m.]

[Docket Nos. 9594, 9595]

PACIFIC COAST BROADCASTING CO. (KXLA)

ORDER AMENDING ISSUES

In re applications of Pacific Coast Broadcasting Company (KXLA), Pasadena, California, Docket No. 9594, File Nos. BML-1328 and BP-7717; for construction permit and modification of license; In re order to show cause directed to Pacific Coast Broadcasting Company (KXLA), Pasadena, California, Docket No. 9595, File No. BS-1189.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 6th day of September 1950;

The Commission having under consideration a petition, filed August 23, 1950, by Pacific Coast Broadcasting Company, Pasadena, California, requesting that the issues specified in the Commission's order of March 6, 1950, designating for consolidated hearing, now scheduled to commence September 11, 1950, at Washington, D. C., and the above-entitled application for modification of license of KXLA and the above-entitled order to show Cause directed to Pacific Coast Broadcasting Company, be revised and enlarged as will appear more specifically below, and an opposition thereto filed September 1, 1950, by KFAB Broadcasting Company, party respondent in the above-entitled proceeding; and

It appearing, that petitioner requests that Issue No. 1 specified in the Commission's order of March 6, 1950, be deleted for the reason that it relates to a matter which by Commission Order of July 21, 1950, was severed from this proceeding; that Issue No. 1 in form appears to relate to said severed matter; that findings concerning the areas and populations presently receiving service from Station KXLA would appear to be necessary to decision in this proceeding; that evidence concerning such matters could not be adduced under the remaining issues as presently specified; and that, therefore, Issue No. 1 should be revised rather than deleted; and

It further appearing, That petitioner has requested that Issue No. 2 specified in the Commission's order of March 6, 1950, be revised to permit the showing of the nature of the program service available to certain interference areas; and that the nature of such program service may be pertinent to a decision in this proceeding; and

It further appearing, that petitioner has requested a minor modification of Issue No. 3 specified in the Commission's order of March 6, 1950; and that said

modification would make Issue No. 3 more definite and specific but would not change the sense of said issue; and

It further appearing, that petitioner has requested the inclusion of an additional issue to permit the showing, in connection with the above-entitled order to show cause, of the areas and populations which would lose service by reason of a reduction in power of KXLA and the nature of the program service provided by KXLA to such areas and populations; that testimony and exhibits with respect to such matters, being pertinent and material to a determination of the questions presented by the order to show cause, may be received in evidence under the order to show cause; and that, therefore, the specification of the requested issue is unnecessary; and

It further appearing, that the opposition of KFAB Broadcasting Company herein alleges that the revision of Issues No. 2 and 3 requested by petitioner will serve only to confuse such issues but that the opposition does not set forth the manner in which such confusion may arise, and that for reasons set forth above the Commission is of the opinion that said issues should be amended substantially as requested; and

It further appearing, that petitioner alleges that the subject petition was not filed within the time specified in § 1.389 of the Commission's rules and regulations for the reason, among others, that petitioner was under a misapprehension as to the meaning of the present issues until an informal ruling by the Hearing Examiner on August 17, 1950; that KFAB has not alleged that consideration of the instant petition at this time will in any wise prejudice KFAB Broadcasting Company; and that the Commission is of the opinion that good cause has been shown why said petition was filed within the time specified in § 1.389 of the Commission's rules and regulations;

It is ordered, That the said petition, filed August 23, 1950, by Pacific Coast Broadcasting Company, requesting modification and enlargement of the issues in the above-entitled proceeding is granted in part; and

It is further ordered, That the Commission's order of March 6, 1950, designating the above-entitled matters for consolidated hearing is amended by striking therefrom Issues Nos. 1, 2, and 3 and substituting therefor the following issues:

1. To determine the areas and populations which receive primary service from the present operation of Station KXLA and the character of other broadcast service available to those areas and populations.

2. To determine whether the operation of Station KXLA involves objectionable interference with Station KFAB, Omaha, Nebraska, or with any other existing broadcast stations and, if so, the nature and extent thereof, the areas and populations affected thereby, the availability of other broadcast services to such areas and populations, and the nature and character of the program service provided to such areas and populations by Station KFAB and other broadcast services available to such areas and populations.

3. To determine whether the installation and operation of Station KXLA is in compliance with the Commission's rules and Standards of Good Engineering Practice Concerning Standard Broadcast Stations with particular reference to the protection to be afforded United States Class I–B stations, particularly Station KFAB, Omaha, Nebraska.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50–8162; Filed, Sept. 18, 1950; 8:50 a. m.]

[Docket Nos. 9429–9432, 9511]

ARKANSAS AIRWAVES CO. (KXLR) ET AL.

ORDER CONTINUING HEARING

In re applications of Arkansas Airwaves Company (KXLR), North Little Rock, Arkansas, Docket No. 9429, File No. BR–1248; West Memphis Broadcasting Corporation (KWEM), West Memphis, Arkansas, Docket No. 9430, File No. BR–1506; Harrison Broadcasting Corporation (KHOZ), Harrison, Arkansas, Docket No. 9431, File No. BR–1387; Stuttgart Broadcasting Corporation (KWAK), Stuttgart, Arkansas, Docket No. 9432, File No. BR–2085; Arkansas Airwaves Company (KXLR), North Little Rock, Arkansas, Docket No. 9511, File No. BP–6747; for renewal of licenses and for construction permit.

The Commission having under consideration a joint petition filed August 25, 1950, by Arkansas Airwaves Company (KXLR), North Little Rock, Arkansas, and Stuttgart Broadcasting Corporation (KWAK), Stuttgart, Arkansas, requesting an indefinite continuance of the hearing presently scheduled for September 25, 1950, at Little Rock, Arkansas, in the proceeding upon the above-entitled applications for renewal of licenses and for construction permit; and

It appearing, that all applicants in the above proceeding have pending before the Commission petitions for reconsideration and grant without hearing;

It is ordered, This 1st day of September 1950, that the petition is granted; and that the hearing in the above-entitled proceeding is continued indefinitely, pending action on the said petitions for reconsideration and grant without hearing.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50–8163; Filed Sept. 18, 1950; 8:51 a. m.]

[Docket Nos. 9582, 9708]

POPLAR BLUFF BROADCASTING CO. AND LEE BROADCASTING, INC. (WTAD)

ORDER CONTINUING HEARING

In re application of The Poplar Bluff Broadcasting Company, Poplar Bluff, Missouri, Docket No. 9582, File No. BP–7342; Lee Broadcasting, Inc. (WTAD), Quincy, Illinois, Docket No. 9708, File No. BP–7566, for construction permits.

The Commission having under consideration a motion filed August 21, 1950 by The Poplar Bluff Broadcasting Company, requesting a continuance of the hearing in the above-entitled case from September 6, 1950 to October 24, 1950, so as to permit more time for the parties to evaluate the engineering aspects of the application as amended;

It appearing, that no opposition to the requested continuance has been filed and that good cause for continuance is shown; now therefore,

It is ordered, This 1st day of September 1950, that the motion is granted and the hearing now scheduled to begin on September 6, 1950, is hereby continued to October 24, 1950, at Washington, D. C.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 50–8164; Filed, Sept. 18, 1950; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G–1426]

TEXAS GAS TRANSMISSION CORP.

ORDER FIXING DATE OF HEARING

SEPTEMBER 12, 1950.

On June 26, 1950, Texas Gas Transmission Corporation (Applicant), a Delaware corporation with its principal place of business in Owensboro, Kentucky, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of certain natural gas facilities subject to the jurisdiction of the Commission, all as more fully described in such application on file with the Commission and open to the public.

Applicant has requested that this application be heard under the shortened procedure provided by § 1.32 (b) of the Commission's rules of practice and procedure (18 CFR 1.32 (b)) for non-contested proceedings, and it appears to be a proper one for disposition under the aforesaid rule, provided no request to be heard, protest or petition raising an issue of substance is filed subsequent to the giving of due notice of the filing of the application including publication in the FEDERAL REGISTER on July 14, 1950 (15 F. R. 4471–2).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a public hearing be held on October 5, 1950, at 9:45 a. m., e. s. t., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application: *Provided however*, That the Commission may, after a non-contested hearing, forthwith dispose of the proceeding pursuant to the provi-

sions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: September 12, 1950.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 50-8132; Filed, Sept. 18, 1950; 8:45 a. m.]

[Docket No. G-1471]

TEXAS GAS TRANSMISSION CORP.

NOTICE OF APPLICATION

SEPTEMBER 13, 1950.

Take notice that on August 28, 1950, Texas Gas Transmission Corporation (Applicant), a Delaware corporation with its principal office at Owensboro, Kentucky, filed an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of the following described natural-gas facilities:

Approximately 3.75 miles of 8⅝ inch pipeline and 3.5 miles of 6⅝ inch pipeline extending westerly from a point on Applicant's 12 inch main transmission pipeline near Henderson, Kentucky, to the plant of the Spencer Chemical Company, together with a metering station and appurtenances thereto, all of said facilities to be located in Henderson County, Kentucky.

Applicant proposes to sell and deliver natural gas to the Spencer Chemical Company, through the facilities proposed for industrial use upon a firm industrial basis, not in excess of 7,000 Mcf per day and on an interruptible basis not to exceed 10,000 Mcf per day.

The total over-all capital cost of the facilities proposed is $163,863.48, which will be financed from funds on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.10) on or before the 2d day of October 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 50-8133; Filed, Sept. 18, 1950; 8:45 a. m.]

[Docket No. E-6314]

PHILADELPHIA ELECTRIC CO. ET AL.

ORDER INSTITUTING RATE INVESTIGATION

SEPTEMBER 12, 1950.

In the matter of Philadelphia Electric Company, Atlantic City Electric Company, and Delaware Power & Light Company; Docket No E-6314.

On July 11, 1950, Philadelphia Electric Company (Philadelphia Electric) filed a new agreement with Atlantic City Electric Company (Atlantic City) together with a Certificate of Concurrence with Delaware Power & Light Company (Delaware Power), on July 14, 1950, filed its Certificate of Concurrence.

The agreement with Atlantic City has been designated Philadelphia Electric Company Rate Schedule FPC No. 11 (superseding Supplement No. 4 to Philadelphia Electric's Rate Schedule FPC No. 3) and the agreement with Delaware Power has been designated Philadelphia Electric Rate Schedule FPC No. 12 (superseding Philadelphia Electric's Rate Schedule FPC No. 4, as supplemented). The Certificates of Concurrence of Atlantic City and Delaware Power have been designated Atlantic City Electric Company Rate Schedule FPC No. 2 (superseding Atlantic City's Rate Schedule FPC No. 1) and Delaware Power & Light Company Rate Schedule FPC No. 19 (superseding Delaware Power's Rate Schedule FPC No. 1, as supplemented).

The agreements described above were consummated and filed as a result of the acquisition by Atlantic City of Deepwater Light and Power Company's portion of Deepwater Generating Station, formerly owned jointly by Deepwater and Atlantic, and of a two-circuit 66 kv transmission line extending from the 66 kv substation at the plant to the New Jersey-Delaware State line, which acquisition was authorized and approved by the Commission on July 18, 1950, in FPC Docket No. E-6303, and in connection with the construction by Delaware Power of new generating facilities to take care of the requirements of its Northern Division which are presently being supplied for the most part by Philadelphia Electric. Delaware Power is interconnected with Philadelphia Electric by three 66 kv circuits from Chester, Pennsylvania, to Wilmington, Delaware, and with Atlantic City by two 68 kv transmission circuits and submarine cables running under the Delaware River.

The rate schedules described above are essentially pooling contracts, under the terms of which Philadelphia Electric is granted the right to include the loads, reserves and capacities of Atlantic City and Delaware Power within its own loads, reserves and capacities for any interconnected operation. Such interconnected operation includes the participation by Philadelphia Electric under an interconnection agreement dated September 16, 1927, as amended, with Public Service Electric and Gas Company and Pennsylvania Power & Light Company, which agreement is on file with the Commission as Philadelphia Electric Company Rate Schedule FPC No. 5, as supplemented.

On the basis of data presently available to the Commission, the rates, charges, services or classifications for or in connection with the transmission or sale of electric energy under Philadelphia Electric's Rate Schedules FPC Nos. 11 and 12, Atlantic City's Rate Schedule FPC No. 2 and Delaware Power's Rate Schedule FPC No. 19 may be unjust, unreasonable, unduly discriminatory or preferential.

The Commission finds: It is necessary and proper in the public interest, and to aid in the enforcement of the provisions of the Federal Power Act, that an investigation be instituted by the Commission into and concerning any rates, charges, services, or classifications demanded, observed, charged, or collected or to be demanded, observed, charged or collected under Philadelphia Electric Company's Rate Schedules FPC Nos. 11 and 12, Atlantic City Electric Company's Rate Schedule FPC No. 2 and Delaware Power & Light Company's Rate Schedule FPC No. 19, for or in connection with the transmission or sale of electric power and energy subject to the Commission's jurisdiction, and any rules, regulations, practices, or contracts affecting such rates, charges, services or classifications.

The Commission, on its own motion, orders: An investigation be and the same hereby is instituted for the purpose of enabling the Commission:

(A) To determine whether any rates, charges, services or classifications demanded, observed, charged or collected, or to be demanded, observed, charged or collected under Philadelphia Electric Company's Rates Schedules FPC Nos. 11 and 12, Atlantic City Electric Company's Rate Schedule FPC No. 2, and Delaware Power & Light Company's Rate Schedule FPC No. 19 for or in connection with the sale or transmission of electric energy, or any rule, regulation, practice, or contract affecting such rates, charges, services, or classification are unjust, unreasonable, unduly discriminatory or preferential.

(B) If, after hearing, it shall find that any such rates, charges, services, classifications, rules, regulations, practices or contracts are unjust, unreasonable, unduly discriminatory or preferential, to determine and fix by appropriate order or orders, just, reasonable, non-discriminatory or non-preferential rates, charges, services, classifications, rules, regulations, practices or contracts to be thereafter observed and in force.

Date of issuance: September 13, 1950.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 50-8147; Filed, Sept. 18, 1950; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 25411]

COAL FROM THE SOUTHWEST TO ILLINOIS AND INDIANA

APPLICATION FOR RELIEF

SEPTEMBER 14, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. 3763.

Commodities involved: Coal and articles taking the same rates, carloads.

From: Points in the southwest.

To: Points in Illinois and Indiana.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: D. Q. Marsh's tariff I. C. C. No. 3763, Supplement 108.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8149; Filed, Sept. 18, 1950; 8:48 a. m.]

[4th Sec. Application 25412]

ALCOHOL FROM LOUISIANA TO KINGSPORT, TENN.

APPLICATION FOR RELIEF

SEPTEMBER 14, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to the tariff named below.

Commodities involved: Isopropanol, isopropyl and ethly alcohol, carloads.

From: New Orleans and Port Chalmette, La.

To: Kingsport, Tenn.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: W. P. Emerson, Jr.'s tariff I. C. C. No. 377, Supplement 58.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8150; Filed, Sept. 18, 1950; 8:48 a. m.]

[4th Sec. Application 25413]

GRAIN FROM KANSAS AND MISSOURI TO NEW ORLEANS, LA.

APPLICATION FOR RELIEF

SEPTEMBER 14, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: Chicago, Rock Island and Pacific Railroad Company for itself and on behalf of the Texas and New Orleans Railroad Company.

Commodities involved: Grain, grain products and related articles, also seeds, carloads.

From: Atchison and Kansas City, Kans., Kansas City and St. Joseph, Mo., when originating beyond.

To: New Orleans, La., for export.

Grounds for relief: Circuitous routes.

Schedules filed containing proposed rates: CRI&P, tariff I. C. C. No. C-13346, Supplement 11.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8151; Filed, Sept. 18, 1950; 8:48 a. m.]

[4th Sec. Application 25414]

VARIOUS COMMODITIES BETWEEN ILLINOIS TERRITORY AND THE SOUTH

APPLICATION FOR RELIEF

SEPTEMBER 14, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. G. Raasch, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. 485 and other tariffs named in the application, pursuant to fourth-section order No. 9800.

Commodities involved: Various commodities.

From or to points in Illinois territory to or from points in Southern territory.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do wthin 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8152; Filed, Sept. 18, 1950; 8:49 a. m.]

[Sec. Application 25415]

CHILDREN'S VEHICLES FROM CHICAGO, ILL., TO THE EAST

APPLICATION FOR RELIEF

SEPTEMBER 14, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuldt, Agent, for and on behalf of carriers parties to his tariff I. C. C. No. 3758, pursuant to fourth-section order No. 9800.

Commodities involved: Children's vehicles, carloads.

From: Chicago, Ill.

To: Points in Trunk Line and New England territories.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-8153; Filed, Sept. 18, 1950; 8:49 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 7-1248]

INLAND STEEL CO.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 13th day of September A. D. 1950.

The Boston Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, No Par Value, of Inland Steel Company, a security listed and registered on the New York Stock Exchange and on the Midwest Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to September 25, 1950, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-8140; Filed, Sept. 18, 1950; 8:47 a. m.]

[File No. 7-1250]

ROCHESTER GAS AND ELECTRIC CORP.

NOTICE OF APPLICATION FOR UNLISTED TRADING PRIVILEGES, AND OF OPPORTUNITY FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 13th day of September A. D. 1950.

The Boston Stock Exchange, pursuant to section 12 (f) (2) of the Securities Exchange Act of 1934 and Rule X-12F-1 thereunder, has made application for unlisted trading privileges in the Common Stock, No Par Value, of Rochester Gas and Electric Corporation, a security listed and registered on the New York Stock Exchange.

Rule X-12F-1 provides that the applicant shall furnish a copy of the application to the issuer and to every exchange on which the security is listed or already admitted to unlisted trading privileges. The application is available for public inspection at the Commission's principal office in Washington, D. C.

Notice is hereby given that, upon request of any interested person received prior to September 25, 1950, the Commission will set this matter down for hearing. In addition, any interested person may submit his views or any additional facts bearing on this application by means of a letter addressed to the Secretary of the Securities and Exchange Commission, Washington, D. C. If no one requests a hearing on this matter, this application will be determined by order of the Commission on the basis of the facts stated in the application, and other information contained in the official file of the Commission pertaining to this matter.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-8141; Filed, Sept. 18, 1950; 8:47 a. m.]

[File No. 70-2422]

SOUTHERN CO., ET AL.

ORDER GRANTING APPLICATIONS AND PERMITTING DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 12th day of September A. D. 1950.

In the matter of The Southern Company, Alabama Power Company, Georgia Power Company. File No. 70-2422.

The Southern Company ("Southern"), a registered holding company, and two of its public utility subsidiaries, Alabama Power Company ("Alabama") and Georgia Power Company ("Georgia"), having filed with this Commission joint applications-declarations, and amendments thereto, pursuant to sections 6 (a), 7, 9 (a), 10 and 12 (f) of the Public Utility Holding Company Act of 1935 (the "act"), and Rules U-43 and and U-50 promulgated thereunder, relating to the following proposed transactions:

Southern proposes, pending consummation of a proposed sale of 1,000,000 additional shares of its common stock, to borrow $12,000,000 from banks, to be evidenced by its unsecured notes payable on or before one year from the date of such notes, with interest at the rate of 2% per annum. The proceeds of the borrowing will be utilized by Southern to assist its subsidiaries Alabama and Georgia in financing their construction programs through the investment by Southern of $6,000,000 in Alabama by the purchase of 60,000 additional shares of the no par value common stock of that company and $6,000,000 in Georgia by the purchase of 353,000 additional shares of the no par value common stock of Georgia. Southern states that it will sell 1,000,000 shares of its common stock as soon as practical and feasible for the purpose of repaying the proposed bank loans.

Said applications-declarations and the amendments thereto having been duly filed and notice of such filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to the act, and the Commission not having received a request for hearing with respect to said applications-declarations, as amended, within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The applications-declarations having requested that the Commission's order become effective forthwith upon issuance; and

The Commission finding with respect to said applications-declarations, as amended, insofar as they relate to the proposed bank borrowings by Southern and Southern's investment of the proceeds thereof in the common stocks of Alabama and Georgia, that the requirements of the applicable provisions of the act and the rules promulgated thereunder are satisfied, that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said applications-declarations, as amended, be granted and permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of said act, that said applications-declarations, as amended, insofar as they relate to the proposed bank borrowings by Southern and Southern's investment of the proceeds thereof in the common stocks of Alabama and Georgia, be, and the same hereby are, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and subject to the additional condition that jurisdiction be reserved with respect to all fees and expenses to be paid in connection with the proposed transactions.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-8142; Filed, Sept. 18, 1950; 8:47 a. m.]

[File No. 70-2434]

PHILADELPHIA CO. AND DUQUESNE LIGHT CO.

SUPPLEMENTAL ORDER GRANTING AND PERMITTING APPLICATION-DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 13th day of September 1950.

Philadelphia Company, a registered holding company, and its public utility subsidiary, Dequesne Light Company ("Duquesne"), both subsidiaries of Standard Gas and Electric Company and Standard Power and Light Corporation, registered holding companies, having filed a joint application-declaration and amendments thereto pursuant to the Public Utility Holding Company Act of 1935 ("act") and the rules and regula-

tions promulgated thereunder, particularly sections 6, 7, 9, 10, 11 (b), 12 (c) and 12 (f) of the act and Rules U-42, U-43 and U-50, regarding, among other things, the issuance and sale by Duquesne, pursuant to the competitive bidding requirements of said Rule U-50, of $7,500,000 par value, of its new ----% Preferred Stock, par value $50 per share; and

The Commission, by order dated August 21, 1950, having granted and permitted to become effective said application-declaration subject, among other things, to the condition that the proposed sale of such Preferred Stock shall not be consummated until the results of competitive bidding, held with respect thereto, shall have been made a matter of record in this proceeding and a further order shall have been issued by this Commission on the basis of the record so completed, which order may contain such further terms and conditions as may then be deemed appropriate; and

A further amendment to said amended application-declaration having been filed on September 13, 1950, setting forth the action taken to comply with the requirements of Rule U-50 and stating that pursuant to the invitation for competitive bids the following bids were received:

Bidder	Annual dividend rate (percent per share)	Price to company [1] (per share)	Annual cost to pany (percent)
The First Boston Corp.	3.75	$50.05	3.74625
Kuhn, Loeb & Co. and Smith, Barney & Co.	3.80	50.61	3.75419
Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Beane; and White, Weld & Co.	3.80	50.6011	3.75485
Lehman Bros.	3.90	51.2113	3.80775

[1] Exclusive of accrued dividends from July 1, 1950.

And Duquesne having stated that it has accepted the bid of The First Boston Corporation and that the 3.75% Preferred Stock is to be offered to the public at a price of $51.00 per share, plus accrued dividends from July 1, 1950, resulting in an underwriters' spread of $0.95 per share, aggregating $142,500; and

The Commission having examined said amendment filed herein on September 13, 1950, and having considered the record and finding no basis for imposing terms and conditions with respect to the price to be received for the 3.75% Preferred Stock, the underwriters' spread and allocation thereof, or otherwise, and it appearing appropriate to the Commission that jurisdiction heretofore reserved to consider the results of the competitive bidding with respect to the 3.75% Preferred Stock be released:

It is ordered, That jurisdiction heretofore reserved to consider the results of the competitive bidding with respect to the sale of the 3.75% Preferred Stock be, and hereby is, released and that said application-declaration, as further amended, be, and hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and the reservations of jurisdiction contained in the Commission's order herein dated August 21, 1950.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-8143; Filed, Sept. 18, 1950; 8:47 a. m.]

[File No. 70-2468]

SOUTHWESTERN GAS AND ELECTRIC CO.

NOTICE OF FILING AND ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 13th day of September A. D. 1950.

Notice is hereby given that a declaration, and amendments thereto, have been filed with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("act"), by Southwestern Gas and Electric Company ("Southwestern"), a public utility subsidiary of Central and South West Corporation ("Central"), a registered holding company. Declarant has designated sections 6 (a) and 7 of the act and Rule U-62 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to said declaration, as amended, which is on file in the offices of this Commission, for a statement of the transactions therein proposed, which are summarized as follows:

Southwestern has outstanding 100,000 shares of preferred stock which is publicly held and 1,566,800 shares of common stock all of which is owned by Central. Each share of preferred stock and of common stock is entitled to one vote, the preferred stock representing approximately 6% and the common stock approximately 94% of the aggregate voting power. Southwestern proposes to submit to a vote of its stockholders at a special meeting called for such purpose an amendment to its Certificate of Incorporation with respect to the voting rights of the holders of its outstanding preferred stock. The proposed amendment would eliminate the voting rights of the preferred stockholders except the special voting rights provided for in subparagraphs 6, 7 and 9 of Paragraph D of Subdivision I of Article Fourth, or as may be required by law. Such special voting rights, which are to be retained intact, include the right to elect a majority of the Board of Directors if and so long as preferred dividends shall be in default in an amount equivalent to four quarter-yearly dividends.

The proposed amendment requires the favorable vote of two-thirds of the outstanding shares of preferred stock voting as a class and the favorable vote of a majority of the outstanding shares of stock of all classes.

The stated purpose of the proposed amendment is to enable Southwestern to file Federal consolidated income tax returns with Central and Central's other subsidiaries. Declarant states that to be eligible to file such returns under the provisions of the Internal Revenue Code Central must own at least 95% of the voting stock of Southwestern. If the proposed amendment is adopted, Central would own 100% of the voting stock of Southwestern.

Southwestern further proposes to solicit its stockholders in connection with said special meeting and to submit proxy material to its stockholders in the form attached to the amendmend to the declaration. It is stated that if Southwestern should retain the services of a professional proxy solicitor to aid in the solicitation of proxies from preferred stockholders, it is estimated that the fees and expenses of such organization will not exceed $1,000. It is further stated that all other expenses to be incurred by Southwestern in connection with the proposed transactions will approximate $1,000.

It is represented that no state commission and no Federal commisison, other than this Commission, has jurisdiction over the proposed transactions.

Southwestern has requested that the Commission enter an order, pursuant to Rule U-62, on or before September 13, 1950, authorizing the solicitation of proxies in connection with said special meeting, and that the Commission's order with regard to all other matters set forth in the declaration, as amended, be issued as soon as practicable and become effective forthwith upon its issuance.

Notice is further given that any interested person may, not later than September 25, 1950, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on the matters set forth in the declaration, as amended, other than the proposal to solicit proxies in connection with said special meeting of stockholders, stating the reasons for such request, the nature of his interest, and the issues, if any, of fact or law raised by said declaration, as amended, which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed to the Secretary, Securities and Exchange Commission, 425 Second Street, NW., Washington 25, D. C. At any time after September 25, 1950, said declaration, as amended, excepting such portion thereof as is permitted to become effective herein, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rules U-20 (a) and U-100 thereof.

It appearing to the Commission that it is appropriate in the public interest and in the interest of investors and consumers to grant the request of declarant for an order, pursuant to Rule U-62, authorizing the solicitation of proxies from the stockholders of declarant:

It is ordered, That, without passing upon the merits of the declaration, as amended, filed pursuant to sections 6 (a) and 7 of the act, the declaration, as

amended, filed pursuant to Rule U-62 promulgated under the act, as to the solicitation of proxies from the stockholders of Southwestern be, and hereby is, permitted to become effective forthwith.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc 50-8144; Filed, Sept. 18, 1950; 8:47 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 15009]

CHARLES BATTEKA ET AL.

In re: Charles Batteka, on behalf of himself and all other stockholders of 39 Broadway, Inc., similarly situated, plaintiff, vs. 39 Broadway, Inc., et al., defendants. File No. D-28-12721; E. T. sec. 16859.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Ludwig Carle, Frieda Carle, Anna Muench, Mrs. Claire Poppe, William A. Seegers, Adele Thoss, Karl Uhe and Josefine Uhe, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown of Wilhelm Muhlig, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That the property described as follows: Those certain debts or other obligations owing to the persons identified in subparagraphs 1 and 2 hereof, by the New York Trust Company, 100 Broadway, New York, New York, pursuant to an order entered February 1, 1949, by the Supreme Court in and for New York County, New York, in an action entitled Charles Batteka, on behalf of himself and all other stockholders of 39 Broadway, Inc., similarly situated, plaintiff, vs. 39 Broadway, Inc., et al., defendants, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Wilhelm Muhlig, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 28, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON, *Deputy Director, Office of Alien Property.*

[F. R. Doc. 50-8175; Filed, Sept. 18, 1950; 8:54 a. m.]

[Vesting Order 15012]

DAVID ROOS

In re: Estate of David Roos, deceased. File D 28-12869 E. T. sec. 17034.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Schlotz, Barbara Abendschein, Karoline Kolb, Karoline Wilhelmine Hermann, Karl August Kolb, Eugen Kolb, Anna Pauline Troscher, Fredrich Kolb and Louise Kolb, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, issue, next of kin, legatees and distributees, names unknown, of Karoline Kolb, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of David Roos, deceased, is property payable or deliverable to, or claimed by the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by George C. Reuter, Executor, Hopkins, Minnesota, acting under the judicial supervision of the Probate Court of Hennepin County, Minnesota,

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs, issue, next of kin, legatees and distributees, names unknown, of Karoline Kolb, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 28, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON, *Deputy Director, Office of Alien Property.*

[F. R. Doc. 50-8176; Filed, Sept. 18, 1950; 8:54 a. m.]

[Vesting Order 15013]

RONALD THOMAS

In re: Estate of Ronald Thomas, deceased. File D 28-12786 G-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Baroness Walpurga Von Gemmingen, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof, in, to and against the estate of Ronald Thomas, deceased, arising out of and by virtue of her claim for monies loaned to and had and received by the said Ronald Thomas, including but not by way of limitation all rights, claims, demands and causes of action of any kind or nature whatsoever of the person named in subparagraph 1 hereof against the estate of Ronald Thomas, deceased, by reason of the rejection of any claim filed by or on behalf of the said person named in subparagraph 1 hereof, for the payment of any and all amounts due her by virtue of her claim against the said estate of Ronald Thomas, deceased, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof, is not within a designated enemy country, the national interest of the United States requires that such person be treated as a

national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 28, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8177; Filed, Sept. 18, 1950; 8:54 a. m.]

[Vesting Order 15051]

HENRY MERCKLE

In re: Trust u/w of Henry Merckle, deceased. File No. D 28-8723; E. T. Sec. 10578.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Marie Wieland, whose last known address was, on August 3, 1950, Germany, was on such date a resident of Germany and a national of a designated enemy country (Germany);

2. That the sum of $436.40 was paid to the Attorney General of the United States by Frida Hodgkinson, Trustee, of the Trust under the will of Henry Merckle, deceased;

3. That the said sum of $436.40 was accepted by the Attorney General of the United States on August 3, 1950, pursuant to the Trading With the Enemy Act, as amended;

4. That the said sum of $436.40 is presently in the possession of the Attorney General of the United States and was property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which was evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

5. That to the extent that the person named in subparagraph 1 hereof was not within a designated enemy country on August 3, 1950, the national interest of the United States required that such person be treated as a national of a designated enemy country (Germany), on such date.

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

This vesting order is issued nunc pro tunc to confirm the vesting of the said property by acceptance as aforesaid.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8178; Filed, Sept. 18, 1950; 8:54 a. m.]

[Vesting Order 15055]

ANNA M. RAU

In re: Rights of Anna M. Rau under insurance contract. File No. F-28-481-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna M. Rau, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under the disability provisions of a contract of insurance evidenced by policy No. 5,580,363, issued by the Prudential Insurance Company of America, Newark, New Jersey, to Anna M. Rau, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8179; Filed, Sept. 18, 1950; 8:54 a. m.]

[Vesting Order 15057]

GUSTAV RIEKERT ET AL.

In re: Rights of Gustav Riekert et al. under insurance contract. File No. F-28-30651-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Gustav Riekert and Martha Riekert, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. P 24829, issued by The Prudential Insurance Company of America, Newark, New Jersey, to Gustav Riekert, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, Gustav Riekert or Martha Riekert, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8181; Filed, Sept. 18, 1950; 8:55 a. m.]

[Vesting Order 15056]

ELIZABETH REDDEL

In re: Rights of Elizabeth Reddel under insurance contract. File No. F-28-30779-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Elizabeth Reddel, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 82 939 549, issued by The Prudential Insurance Company of America, Newark, New Jersey, to Elizabeth Reddel, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8180; Filed, Sept. 18, 1950; 8:55 a. m.]

[Vesting Order 9068, Amdt.]

EXPORTKREDITBANK, A. G.

In re: Stock, bonds and other property owned by and debts or other obligations owing to Exportkreditbank, A. G., F-28-180-A-6; C-2; E-7.

Vesting order 9068, dated May 26, 1947, as amended, is hereby further amended as follows and not otherwise:

a. By deleting from Exhibit A, attached to and by reference made a part of the aforesaid Vesting Order 9068, as amended, the Certificate number "SN-73392" set forth with respect to three (3) shares of capital stock of the American Telephone & Telegraph Company and substituting therefor the Certificate number "SN72392".

b. By deleting from Exhibit A, attached to and by reference made a part of Vesting Order 9068, as amended, the Certificate number "F89173" set forth with respect to one (1) share of capital stock of the Anaconda Copper Mining Company and substituting therefor the Certificate number "F895173".

c. By deleting from Exhibit A, attached to and by reference made a part of Vesting Order 9068, as amended, the name "Otto Rennan" set forth with respect to the registered owner of forty (40) shares of common stock of The Atchison, Topeka & Santa Fe Railway Company and substituting therefor the name "Otto Rennau".

d. By deleting from Exhibit A, attached to and by reference made a part of Vesting Order 9068, as amended, the word "Delaware" set forth with respect to the place of incorporation of the Studebaker Corporation and substituting therefor the words "New Jersey".

e. By adding to Exhibit A, attached to and by reference made a part of Vesting Order 9068, as amended, the following:

Name and address of issuer	Place of incorporation	Type of stock	Par value	Certificate No.	Number of shares	Registered owner
United Fruit Co., 1 Federal St., Boston, Mass.	New Jersey	Common	No	54881	100	Hurley & Co.

f. By deleting from Exhibit B, attached to and by reference made a part of Vesting Order 9068, as amended, the numbers "2946", "2947" and "27554" as set forth with respect to National Railways of Mexico Secured Assented 6% Notes and substituting therefor the numbers "29846", "29847" and "24554", respectively,

g. By deleting from subparagraph II-13 of the aforesaid Vesting Order 9068, as amended, the number "3883" set forth with respect to one (1) Province of Buenos Aires Arrears Certificate and substituting therefor the number "16", and

h. By deleting from subparagraph II-22 of the aforesaid Vesting Order 9068, as amended, the number "V97563" set forth with respect to one (1) Seaboard Trust Company Voting Trust Certificate and substituting therefor the number "VT 7563".

All other provisions of said Vesting Order 9068, as amended, and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on August 11, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 50-8183; Filed, Sept. 18, 1950; 8:55 a. m.]

[Vesting Order 15058]

KARL RIPPELMEIER

In re: Rights of Karl Rippelmeier under insurance contract. File No. F-28-26599-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Karl Rippelmeier, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 5 916 534, issued by The Prudential Insurance Company of America, Newark, New Jersey, to Karl Rippelmeier, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on August 29, 1950.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 50-8182; Filed, Sept. 18, 1950; 8:55 a. m.]

DOMENICO AND PIETRO BRUNI

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date

of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant and Property and Location

Domenico Bruni and Pietro Bruni, Sequals, Udine, Italy; Claim No. 18527; $13,013.40 in the Treasury of the United States in two equal shares, one each to Domenico Bruni and Pietro Bruni.

This notice supersedes and cancels the notice of intention to return vested property to Peter Pellarin which was published in the FEDERAL REGISTER on December 17, 1948 (13 F. R. 7812). Mr. Pellarin died October 20, 1948, and the present claimants are his heirs.

Executed at Washington, D. C., on September 13, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 50-8184; Filed, Sept. 18, 1950; 8:55 a. m.]